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FINANCIAL AND CERTIFIED ADVISER



Grant Thornton

SELLING AGENT



Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.



Impero A/S (the “**Company**” or “**Impero**”) is a Danish public limited liability company incorporated under the laws of the Kingdom of Denmark with company registration number CVR32326676.

Initial Public Offering of 4,123,711 Offer Shares
Offer price: DKK 9.7 per Offer Share

This Company Description (the “**Company Description**”) has been prepared in connection with an application for admission to trading of the Company’s existing shares (the “**Existing Shares**”) and an initial public offering (the “**Offering**”) of new shares (“**Offer Shares**”) of nominal DKK 0.1 each. If the Offering is completed and the 4,123,711 Offer Shares are subscribed, the gross proceeds from the Offering will be DKK 40 million. The Existing Shares and Offer Shares are jointly referred to as (the “**Shares**”) in the Company. As of the date of this Company Description (the “**Company Description Date**”), but prior to the Offering, the registered share capital of the Company is nominal DKK 1,402,519 and consists of 14,025,190 Existing Shares of nominal DKK 0.1 each, all of which are fully paid. The Company has 1 share class.

The exact number of Offer Shares will be determined after the subscription period. If a minimum of 4,123,711 Offer Shares are not subscribed during the subscription period, the Offering will not be completed. The Offering is not guaranteed, but prior to publication of this Company Description, the Company has obtained subscription undertakings for a total of DKK 23.93M from pre-subscribers (the “**Pre-subscribers**”). Pre-subscribers will be allocated the full amount of subscribed shares in connection with the allocation of Offer Shares.

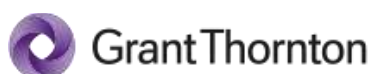
The offer price (the “**Offer Price**”) is DKK 9.7 per nominal DKK 0.1 Offer Share. The Offer Price is fixed. The offer period (the “**Offer Period**”) is expected to begin on March 26, 2021 and end on April 13, 2021. The Offer Shares will be delivered electronically against payment under the temporary ISIN DK0061536745 to investors’ accounts with VP Securities A/S (“**VP Securities**”). The temporary ISIN will not be applied for trading on Nasdaq First North Growth Market Denmark but will only be registered in VP Securities for the purpose of subscribing for New Shares. The temporary ISIN code will be replaced by the permanent ISIN code DK0061536828 (“**VP Securities**”). It is expected that delivery against cash payment of the Offer Shares will take place on or around April 19, 2021 (the “**Closing Date**”).

Prior to the Offering, the Shares have not been publicly traded. The Company has applied for admission to trading for all Shares on Nasdaq First North Growth Market Denmark (“**First North**”) under the ticker IMPERO. First day of trading is expected to be on April 22, 2021. The Offer Shares will have the same rights as the Existing Shares and will rank *pari passu* in every respect.

Investing in the Offer Shares involves significant risks. Potential investors are advised to seek independent advice on legal, financial, accounting and tax matters that apply to the individual investor before deciding to invest in the Offering. Reference is made to section 4 “Risk factors” for a review of the primary risk factors that could have an impact on potential investors’ investment in the Offering. The provided information regarding the outlined risk factors and the Company’s historical operating performance is non exhaustive and potential investors should thus carefully consider putting disproportionate emphasis on the Company’s expectations for future growth opportunities, earnings and financial position.

The distribution of this Company Description is only intended to be for the use by investors in Denmark. The distribution of this Company Description is, in certain jurisdictions, restricted by law, and this Company Description may not be used for the purpose of, or in connection with, any offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. This Company Description does not constitute an offer of or an invitation to subscribe for Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Persons into whose possession this Company Description comes shall inform themselves of and observe all such restrictions. The Company does not accept any legal responsibility for any violation by any person, of any such restrictions.

Certified Adviser



This Company Description is dated March 26, 2021

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COMPLIANCE. SIMPLIFIED.

Building trust and transparency between people, institutions, and companies is a universal imperative.

Impero enables companies to deliver what they promise, to become and stay compliant.

Impero's ambition is to become a de facto market standard in the rapidly growing compliance management software market. The IPO will enable investors on Nasdaq First North to join Impero's growth journey.

1. Key information about the Company

1.1 BACKGROUND

Impero provides a compliance management platform distributed as Software-as-a-Service (“SaaS”) that enables companies to easily manage compliance through automation of risk and control management, documentation, and reporting.

Impero is a RegTech¹ company that was founded by Jacob Engedal Sørensen and Morten Balle. Coming from careers in Big4 accounting firms, the founders identified an imperative need and a commercial potential for an easy-to-use digital, unified compliance management platform. Not only would such a compliance management platform help companies optimize their governance, risk, and compliance (“GRC”) processes in a scalable way, on a grander scale, it would contribute to a society resting on pillars of transparency and trust.

To begin developing the platform, the founders partnered up with two experienced seed investors, Lars Kolind and Jørn Grove, who recognized the potential to disrupt the GRC arena. The strong combination of Lars Kolind’s strategic know-how and vision and the powerful idea and drive of the founders were key ingredients when developing the platform in 2014. The development initially took place in collaboration with two Danish blue-chip customers and one public customer.

Since 2014 much has happened, and today, Impero

has grown into a global company with more than 25 ambitious employees. Impero’s compliance management platform has demonstrated its relevance to Danish and international customers, and the platform reached two significant milestones in 2020 with customers headquartered in 10² countries and users in more than 100 countries worldwide.

As of the date of the Company Description, the customer base comprises 94 companies, including many large, blue-chip customers, including Volkswagen Group, Siemens, Trumpf, Hempel, Ecco, Arla and many more. Impero serves 1/3 of all OMX C25 companies in Denmark and 3 of the 5 largest listed companies in Germany. 9 of the Company’s customers are Fortune2000³ companies, which includes 2 of the OMX C25 companies and the 3 of the 5 largest listed companies in Germany. The customer base includes small and mid-sized companies and large, international conglomerates in a wide range of industries. Further, the customer base consists of both private and public customers. Despite the broad applicability of Impero, it is especially with the larger and mid-sized companies that the digital adoption of compliance management software has been significant. The current best-fit-customers are DKK +7.5B in revenue, headquartered in countries with a high degree of compliance and with a significant degree of complexity in workflow processes.

Impero’s journey in brief



1. RegTech refers to Regulatory Technology, meaning using information technology to enhance regulatory processes
2. Denmark, Greenland, Iceland, Germany, Austria, Switzerland, Finland, Luxembourg, United Kingdom, and United States
3. List of the world’s 2000 largest public companies
4. The DACH region refers to the region of Germany, Austria, and Switzerland

In short, Impero manages all relevant types of risks and controls within compliance and risk management.

The platform automates required steps for effective compliance management, not merely individual steps in these processes. Using cloud-based infrastructure, the software platform is easily accessed by any web browser and distributed to multiple users simultaneously. This enables cost-effective access to individual users, easy updating procedures, and quick implementation. It also provides a simple and intuitive platform that is highly scalable.

Although the platform can be applied to all types of compliance processes, Impero identified that the most strategic point of entry is within tax and finance functions. From here, proof-of-work in these departments serves as a facilitator for continuous adoption of the software across various compliance matters (e.g., GDPR, supply chain management, CSR, HR, IT, and ESG), across borders, and throughout entire organizations. Historically, many customers have scaled Impero from tax and finance to other functions in their organization.

1.2 THE IMPERO DNA

Impero's ultimate vision is to help build a society resting on transparency and trust. The Company strives to create a safer world founded on pillars of trustworthiness and transparency and to make it easy for people, companies, and institutions to rely on each other.

At the heart of Impero's mission is the aspiration to equip companies and organizations with the right knowledge and tools, enabling them to adhere to and improve compliance measures. Most companies strive to be fully compliant, but many struggle to proactively implement measures that ensure that this is also the case.

Compliance becomes a risk when the organization grows beyond management's personal horizon, and management and Board of Directors must rely on the integrity of the company and its people for compliance management matters. In cases like these, customers turn to Impero to actively help bring trust and transparency to their organization. That is why Impero created a digital solution that is continuously evolving as the Company continues its quest to provide a unique tool that empowers proactive compliance and creates stronger institutions around the world, as expressed in United Nations' 16th Sustainable Development Goal ("SDG"): Peace, justice, and strong institutions.

1.3 READY TO CAPITALIZE ON A PROVEN SETUP

Globally, the GRC market for software and services is valued at DKK 202B in 2020 and expected to grow with a compounded annual growth rate ("CAGR") of 13.5% towards 2025⁵. The targeted addressable market for Impero exceeds DKK 6.3B, comprising large and mid-market companies in Northwestern Europe⁶ and potential new markets in North America and Asia-Pacific, scoring high on the Corruptions Perception Index ("CPI").

Fundamentally, the GRC market is driven by one essential fact; it pays to invest in compliance. Research from Ponemon Institute estimates that costs of non-compliance are approx. 2.7x higher than costs of compliance activities⁷. Moreover, non-compliance costs have increased by 45% since 2011⁷.

In short, compliance is here to stay – and grow. Having a strong product-market fit, Impero is well-positioned to tap into the growing and attractive market.

Impero has built an efficient and scalable go-to-market strategy, using partnerships with Big4 accounting firms as steppingstones for market entries and international growth. These trusted partnerships are key drivers for future customer acquisitions and revenue growth. When the customer base reaches a critical mass and "lighthouse" customers have been won, partner sales are supported with direct sales and uplift efforts to generate more sustainable growth and reach a broader segment of customers.

Impero concluded a positive 2020. Despite the global pandemic, Impero managed to reach budget targets for the year – and grow the Company's annual recurring revenue ("ARR") with 68% to an ARR run rate of DKK 12.6M year-end 2020. The growth in 2020 was driven by strong performance in the DACH region, which in turn also proved the Company's go-to-market strategy successful in both entering and growing new markets. The Company expects to grow the ARR run rate from DKK 12.6M at year's end, 2020, to DKK 40.5-44M at the year 2023. If the expected growth is achieved this will equal an annual growth rate of ~50%.

Impero's ambition is to become a global market standard of compliance management software. Supported by a strong product development roadmap, a scalable platform, proven go-to-market strategy, strong product-market-fit, and impressive international track-record, Impero will focus on growing its position in Northwestern Europe, and from here, continue the growth journey into new global markets.

5. MarketsandMarkets – the stated market size include both GRC software solutions and consultancy services
6. Northwestern Europe refers to the countries of Denmark, Norway, Sweden, Iceland, Finland, United Kingdom, the Republic of Ireland, Belgium, the Netherlands, Luxembourg, Northern France, Germany, Switzerland, and Austria
7. Ponemon Institute LLC (2017): The true cost of compliance with data protection regulations.

MANAGING COMPLIANCE IN ONE SIMPLE AND INTUITIVE PLATFORM



RISK MANAGEMENT

Customers can **map, assess and monitor all types of risks** (from tax to finance to GDPR, etc.) and organize mitigating actions and controls in a unified risk framework across the entire organization



CONTROL MANAGEMENT

Customers can **set up and manage all controls required to address the identified risks**. Customers can assign responsibilities, set up KPIs, documentation, and due dates to ensure all controls are carried out correctly and on time

 IMPERO
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DOCUMENTATION

Customers can **document all compliance workflows and document that all compliance processes are carried out correctly**. Past and current documentation can easily be tracked and archived in a single, fully secure platform



REPORTING

With all compliance processes bundled in one platform, customers can always access accurate, reliable and real-time data, to **execute valuable reporting across their organization**

1.3.1 The Impero value creation

Impero helps companies become more compliant in a scalable, digital, intuitive, and – most importantly – easy way. The Impero platform creates value for customers in five dimensions; overview, efficiency, assurance, adoption, and security:

- Gaining better **overview** of compliance and risk management will help customers comply with internal and external regulations and mitigate risks **throughout the entire organization**.
- **Higher efficiency** in risk and compliance management allows customers to **streamline** risk mitigation processes and controls, helps build a powerful brand reputation, and foster a compliance culture.
- The **complete** risk and compliance management system **assures** management that risks are addressed, and compliance is ensured, allowing management to concentrate more on daily operations of their business.
- The **easy-to-use** compliance management platform with **quick implementation** enables customers **full organizational adoption** and easy scalability.
- Sensitive customer information is **kept secure** through Impero's strong emphasis on **cybersecurity and data integrity**. The platform is fully secure and adheres to strict regulations and legislations.

“Impero has been a catalyst for the transformation of our approach to tax controls. Prior to implementing the platform, we worked with a limited number of formal controls and now we expect to document **1,700 controls by the end of 2020. This would not be possible without Impero.”**

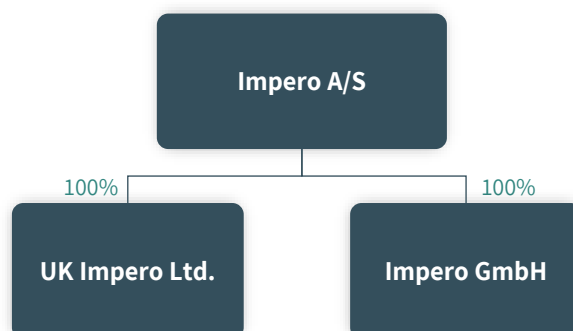
Carsten Bonnerup
Transfer Pricing Director, Vorwerk Group

1.4 CORPORATE STRUCTURE

Impero A/S owns 100% of the subsidiaries UK Impero Ltd and Impero GmbH. Impero A/S is the primary operating company, while UK Impero Ltd

and Impero GmbH are, respectively, the British and German sales hub with the objective of promoting Impero's sales within the relevant market/region. The UK subsidiary was established in September 2019 (UK Company number 12 22 79 79). The country manager of UK Impero Ltd. is Karsten Mayland. Impero is currently setting up the German subsidiary, which was established in March 2021. The country manager of Impero GmbH (German Company number HRB 121868) is Kaspar Kühl.

Corporate structure – Impero A/S



1.5 REASONS FOR THE OFFERING

The reason for the Offering is to accelerate the Company's international growth journey.

With a strong product-market fit, proven internationalization strategy, and a competent organization geared for growth, Impero is ready to scale and capitalize on the growing international demand for easy-to-use compliance management.

With the Offering proceeds, Impero will focus on building its sales and delivery teams, establishing more local presence in key markets, and continue improving and developing the platform. This will form a basis for future growth, bring the Company to a new international level, and be key in the journey towards achieving a position as a de facto market standard for compliance management software.

1.6 USE OF PROCEEDS

Impero raises DKK 40M in gross proceeds – DKK 36M in net proceeds – from the IPO, which will be invested in three areas: commercial activities (~60%), product development (~30%) and supporting items (~10%).

Impero expects the total team member count 12 months after the Offering to be in the range of 40-45 employees – an increase from 19 as of 31 December 2020.

1.6.1 Commercial activities

The balance of proceeds will be used to expand the partner sales channel to new countries, to build direct sales channels, and to strengthen uplift with existing customers. Most customers who start using Impero in their tax and finance functions, later discover that Impero can be used for all risk management and compliance functions, thus generating significant annual uplift. This requires wider local presence and specialized customer support staff. In total, The Company intends to increase the commercial organization by a factor of 3, based on employment numbers from 31 December 2020. Initially, the geographical focus of these commercial activities will be Northwestern Europe.

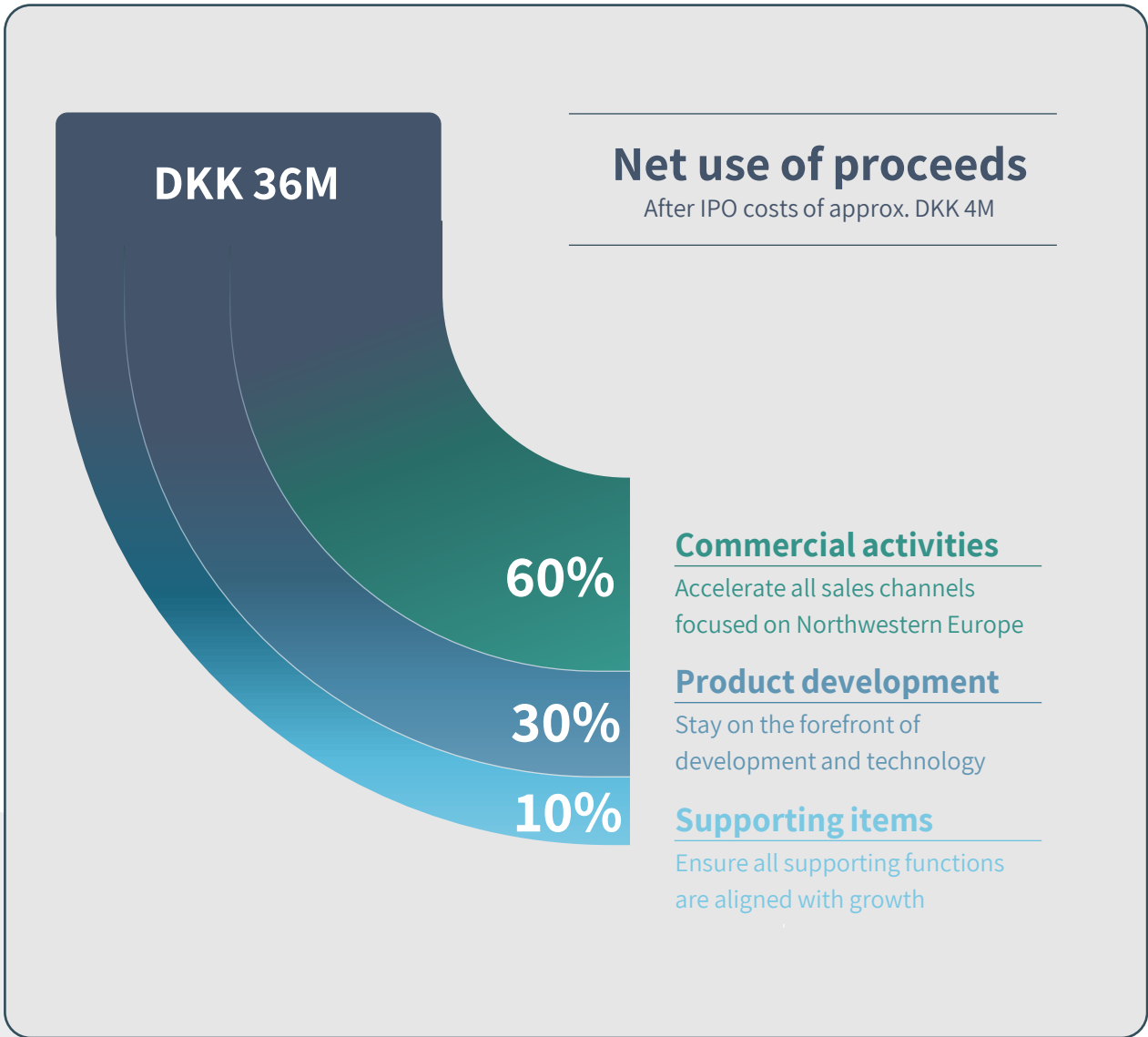
1.6.2 Product development

Impero will accelerate product development with a clear roadmap, including updating current features, releasing new features to the platform, and ramp up resources to continue to be at the forefront of technology and development. See section 7.4 for more information on product development. In total, Impero will increase the product development organization by a factor of 2, based on 31 December 2020 employment numbers.

1.6.3 Supporting items

As the aforementioned efforts will be accelerated, it is crucial to ensure that supporting functions can support growth. Therefore, it is expected that approx. 10% (excl. IPO costs) of the proceeds will be used to ramping up the supporting functions, including human resources, finance, and legal.

Overview of net use of proceeds allocation (after IPO costs)



2. Liability Statement

2.1 LIABILITY STATEMENT FROM THE BOARD OF DIRECTORS, CEO AND CCO

We declare that, to the best of our knowledge, the information provided in this Company Description is accurate and that, to the best of our knowledge, this Company Description is not subject to any omissions that may serve to distort the picture this Company Description is to provide, and that all relevant information in the minutes of Board meetings, auditors' records and other internal documents is included in this Company Description.

Copenhagen, March 26, 2021

Board of Directors and CEO and CCO of Impero A/S

Jørgen Vilhelm Løvenørn Bardenfleth
Chairman

Sten Tore Sanberg Davidsen
Vice Chairman

Jørn Gregersen Grove
Board member

Carsten Gerner
Board member

Martin Pronk
Board member

Line Køhler Ljungdahl
Board member

Rikke Stampe Skov
Chief Executive Officer

Karsten Mayland
Chief Commercial Officer

See end of document for digital signatures from the Board of Directors and CEO and CCO

3. Certain information about this Company Description

This Company Description has been drawn up under the responsibility of the Issuer and has been reviewed by Nasdaq.

3.1 APPLICABLE LEGISLATION

This Company Description has been prepared for the Offering in compliance with the rules and requirements of Nasdaq First North Growth Market – Rulebook, dated September 1, 2019. As the capital raise with the Offering amounts to less than EUR 8M, there are no requirements to prepare a Prospectus in accordance with the Consolidated Act no. 1767 of November 27, 2020, on Capital Markets, as amended (the “Danish Capital Markets Act”).

The Company Description is available on Impero’s website (www.impero.com/investors)

3.2 LANGUAGE

This Company Description has been prepared in the English language only.

3.3 DISTRIBUTION

The distribution of this Company Description is only intended to be for the use by and is only directed at investors in Denmark.

The distribution of this Company Description may be restricted by law in certain jurisdictions. This Company Description may not be used for the purpose of, or in connection with, any offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is unlawful.

This Company Description does not constitute an offer or an invitation to subscribe for Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Impero does not accept any legal responsibility for any violation by any person, subject to such restrictions.

No action has been taken or will be taken by Impero to allow a public offering in any country other than Denmark.

Neither the Existing Shares nor the Offer Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (“**Securities Act**”). The Shares may not be offered or sold, directly or indirectly, in or into the United States or to persons residing there. Moreover, the Offering is not made to persons resident in Australia, Hong Kong, Japan, Canada, New Zealand, South Africa, Switzerland, or Singapore or to persons whose participation would require the publication of a company description, registration, or other measures. Any application to subscribe for the Offer Shares in violation of these restrictions may be void. Persons who receive copies of the Company Description are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of securities regulations.

3.4 FORWARD-LOOKING STATEMENTS

The Company Description contains certain forward-looking statements based on the current views and expectations by the Board of Directors and the Management Team, as well as assumptions made by the Board of Directors and the Management Team, which may constitute statements regarding the future. These statements regarding future events, financial results, operational performance, business strategy, and the plans and objectives of the Board of Directors and Management Team can generally be identified by terminology such as “believes”, “expects”, “targets”, “aims”, “intends”, “plans”, “seeks”, “will”, “anticipates”, “would”, “could”, “estimates” or similar expressions or the negatives thereof.

Forward-looking information does not constitute a guarantee of future results or performance. Such statements regarding the future involve known and unknown risks, uncertainties, and other important factors that could cause the actual result, performance, or achievements to differ materially from any future results, performance, or achievements expressed or implied by such statements regarding the future. Factors that could cause the Company's future results or performance to differ from what is expressed in the forward-looking statements include, but are not limited to, those described in the section "Risk Factors". If one or more of the risk factors described in this Company Description materializes, it may have a material adverse effect on the Company's business, position, results of operations, or objectives.

In addition, even if the Company's result of operations, financial position and cash flows, and the development of the industry in which it operates are consistent with the forward-looking statements contained in this Company Description, those results or developments may not be indicative of results or developments in subsequent periods.

Forward-looking statements in this Company Description apply only in respect of the Company Description Date. Impero does not intend or assume any obligation to update any statements regarding the future contained in this Company Description, except as may be required by law or the rules of First North Growth Market. All subsequent written and oral statements regarding the future attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained in this Company Description.

3.5 MARKET AND INDUSTRY INFORMATION

This Company Description contains historical market data and industry forecasts, including information related to the size of the markets in which Impero operates. This information has been obtained from a variety of sources, including companies providing business intelligence products and services, literature, market reports, company websites, and other publicly available information, as well as the Company's knowledge of the markets.

Professional data suppliers state sources of historical data and aggregated by methods believed to be reliable, but they do not guarantee the accuracy and completeness of this information.

Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified by Impero, and the Company does not guarantee the historical information is accurate. Industry forecasts are subject to significant uncertainty by nature. There can be no assurance that any of the forecasts will materialize.

Market statistics are inherently subject to uncertainty and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what type of products and transaction should be included in the relevant market or market segment definitions.

Impero makes no representation as to the accuracy of such information that was extracted or derived from these external sources. Thus, any development in the Company's activities may deviate from the market developments stated in this Company Description. Impero does not assume any obligation to update such information. As a result, prospective investors should be aware that market information and industry forecasts from third parties, including information regarding the size of the markets in which the Company operates, in this Company Description (and projections, assumptions, and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described under "Risk Factors", included elsewhere in this Company Description.

Impero confirms that information from third parties has been accurately cited and reproduced. To the best of the Company's knowledge and belief, the information published by such third parties, no facts have been omitted which would render the information provided inaccurate or misleading.

3.6 COMPANY VIEWS AND OPINIONS

This Company Description makes use of an array of sources to provide transparency and information to the investor and/or reader. If no source of information is stated, the information and views are from the Company itself.



Impero was founded with a clear vision; **to help build a society resting on trust and transparency**



Impero works diligently toward UN SDG 16 of promoting just societies with effective, accountable, and transparent institutions at all levels

Rikke Stampe Skov,
CEO

4. Risk factors

4.1 INTRODUCTION

An investment in Impero's shares is inherently associated with economic risk for the investor. The Company is subject to risk factors, where some factors are outside the control of the Company. These factors may have a negative impact on Impero's business, earnings, and financial position, and may result in a decline in the market price of the Shares, subsequently resulting in shareholders losing parts or the entire capital invested. Potential investors should carefully consider the risks outlined below before deciding to invest in the Company and are advised to seek independent advice on legal, financial, accounting, and tax matters that apply to the individual investor before deciding to invest in the Offering.

It is not possible to outline all risks associated with investing in Impero. This section describes the risk factors which, as of the date of this Company Description, are considered by Impero to be the most significant known risks. Other risks and uncertainties that Impero is not aware of at present may also have a material adverse effect on the Company and the Shares. The risk factors are presented in prioritized order of importance, and the possibility that the risk will materialize, and the impact thereof will be described.

4.2 INDUSTRY RISK

4.2.1 Competition

The market for compliance management within the GRC arena is characterized by multiple players of enterprises, platforms, and single-point solutions competing on high-, mid-, and low-end markets. The competitor market can be sorted into four categories; global enterprises with extensive market reach, locally anchored companies, Big4 in-house developed solutions, and a segment of generic IT tools using non-proprietary GRC IT tools.

Selected large global software providers in the GRC industry, e.g., SAP or Oracle, may acquire knowledge allowing them to build similar functionalities or further invest in their current GRC offerings. Such competitors may have financial and strategic resources that exceed those of Impero.

It is a risk that other market players will offer GRC solutions targeting Impero's customer base and product solution. In that case, the Company risks losing market share to competitors or risks being pressured into a price war. A price war can have a material adverse effect on the Company's business, earnings, and financial position.

4.2.2 Market development

The market for compliance management solutions within the global GRC market for software and services is estimated to be DKK 202B in 2020 and has grown rapidly in recent years and is still seeing positive growth at a CAGR of 13.5% towards 2025¹. Forecasts and other future expectations are not absolute. There are no guarantees the market will develop as expected, nor that Impero will benefit significantly from any market advancements.

In the event of negative market developments, material adverse effects could be imposed on Impero's business, earnings, and financial position.

4.2.3 Regulatory risk

As a software solutions provider, Impero is subject to a variety of international regulations on data protection, compliance, and information security. Impero proactively addresses these regulatory risks by carrying out yearly risk assessments and commissioning third-party IT security reviews from reputable security companies. The reviews cover IT security and GDPR compliance. Furthermore, the product management department is actively following global regulatory risks that the Impero platform could support.

1. Marketsandmarkets

Nevertheless, there is a risk that changes to these regulations will impose restrictions on Impero's ability to provide its services, which could have an adverse effect on the business, its earnings, and its financial position.

If changes to existing regulations or new regulations are imposed, there is a risk that Impero will need to invest in additional product development in order to remain compliant, which could have an adverse impact on the business, its earnings, and its financial position.

4.3 OPERATIONAL RISK

4.3.1 IT security

Impero is a software solution hosted on behalf of the Company's customers. As a software provider handling and retaining data and documents on behalf of customers, there is a risk of a data breach and unauthorized access from cyber attacks. In the case of cyber attacks, there is a risk that customers might be unable to use the platform for shorter or longer periods. Consequently, data breaches and unauthorized access might release an investigation from authorities. This could result in fines and prosecution from customers with demand for financial compensation, which may have a negative effect on the Company's business and reputation.

To reduce the probability of potential loss of data, data breaches, or unauthorized access, Impero has engaged Microsoft Azure, which is among the highest-ranking IT security hosting partners available.

Impero obtains a security and compliance report from Microsoft Azure, which is audited at least annually against the SOC reporting framework by independent third-party auditors.

The audit for Microsoft cloud services covers data security controls, availability, processing integrity, and confidentiality as applicable to in-scope trust principles for each service. Microsoft has achieved SOC 1 Type 2, SOC 2 Type 2, and SOC 3 reports.

Security and compliance are key elements in Impero's core business and customer deliverables. Every year Impero receives a third-party IT security review and issues an IT assurance report covering selected high-risk control activities supporting the Company's IT infrastructure, security, and compliance related to GDPR and cybersecurity and supported by select key control areas with reliance on ISO 27001 security framework.

The IT security report ISAE 3000 type II is issued with the highest security level within this international standard and signed by an Independent System Auditor/certified public accountant and Partner from one of the well known and reputable Big4 accounting firms. The latest issued security report did not contain any control deficiencies.

4.3.2 Risks related to the handling of personal data

Impero collects and processes personal data as a part of its business, for example, in relation to its employees and customers, as well as on behalf of its customers. The processing of personal data must be in accordance with applicable data protection legislation. Such data protection legislation sets out requirements in relation to the collection, processing, and responsibility for the content and protection of personal data.

In relation to the operation on the European market, which is Impero's primary market, the handling of personal data is governed by the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council) (GDPR). The GDPR entails strict sanctions for breach of the regulation, where fines may amount to the higher of EUR 20M and four percent of the company's global turnover.

Furthermore, the Company can risk claims for damages in case of breach of the GDPR or other relevant data protection regulations.

Even though the Company has taken measures to ensure compliance with the GDPR or other applicable data protection legislation, there is always a risk that these measures taken are insufficient. Although the GDPR is a European regulation that does not require ratification, there is no guarantee that the different supervisory authorities responsible under the GDPR will apply or interpret the requirement of the GDPR in the same way. This may entail difficulties for the Company to formulate principles regarding the handling of personal data.

If the Company does not handle personal data in a way that meets current requirements, applications, or interpretations regarding handling of personal data, including GDPR, it may have a negative impact on the Company's earnings through increased costs and fines, as well as on its reputation.

Additionally, the Company uses processors and sub-processors, potentially transferring personal data to countries outside Europe, e.g., the United States.

Even though these processors transfer personal data on the basis of EU Standard Contractual Clauses, which are considered a legitimate basis for the transfer of personal data to third countries, there is a risk that the supervisory authorities will determine that the third-party country will not provide an adequate level of data protection and hence the transfer does not comply with the GDPR.

This is a challenge that all companies face, as many companies in one way or another transfer data to third countries, e.g., the United States.

4.3.3 Patents, trademarks, and intellectual property

Currently, Impero does not hold any registered trademarks. In Denmark, however, this is not a requirement, as trademark protection can be obtained simply by using the trademark. Nonetheless, the Company has started the process of applying for a trademark within the relevant trademark classes and geographical areas for the name “Impero” as a wordmark as well as a figure mark for its logo. It is expected that the process of applying for a trademark will be concluded at the end of June 2021, but there is a risk that this could take longer. It is not possible to determine an exact date for the conclusion of the process.

However, a UK registered company currently holds a registered trademark for the word mark “Impero” in Europe, UK, and the United States for the trademark classes 9 (Computer software, computer software programs, education software) and 42 (Computer software design, computer software development). This trademark was registered before the Company was established and the UK registered company may thus file a trademark objection to the Company’s application for registration.

As the UK company is the owner of a prior and identical wordmark, there is a risk that the Company will not be able to register its trademark. Additionally, the UK company will have legal grounding to prevent the Company from using “Impero” as a trademark, as such usage constitutes a trademark infringement.

The Company can, in any case, initiate negotiations with the UK company on concluding an agreement on co-existence, allowing both parties to use and brand their products under the name “Impero” in accordance with certain terms. However, the UK company is not required to enter into such co-existence with Impero.

Finally, the Company has arranged for a plan to change its name in case the UK company initiates

legal proceedings on trademark infringement, and/or there is no basis for concluding an agreement on co-existence.

In the development of the Impero Platform, the Company uses open-source libraries. Further information can be found on: <https://support.impero.com/knowledge/third-party-license-notice>. The use of open-source libraries does not negatively impact the Company’s proprietary rights to the Impero Platform, and the Company complies with all license terms set out for the open-source libraries.

The Company does not hold any patents and has not applied or is in the process of applying for a patent, as it has been assessed that the platform does not meet the requirements hereof.

Notwithstanding the above, as the Company does not rely on any registered intellectual property rights, there is a risk that a third party will claim that the Company infringes other parties’ intellectual property rights.

4.3.4 Product responsibility

In some of the license agreements with the Company’s customers, the Company warrants that it will meet and comply with the customers’ requirements. However, in other license agreements, the Company delivers the platform “as is”.

As the Company in some license agreements warrants to meet the customers’ requirements, there might be a risk that the customers will claim damages for any breach of such warranties given.

However, the Company is only liable for direct damages, and in most of the license agreements, it is agreed that the aggregated liability in no event shall exceed an amount equal to the total fees paid or payable under the license agreement in the preceding twelve-twenty four (12-24) month period prior to the occurrence of the cause or action giving rise to the claim.

4.3.5 Product development

Impero has a clear product development roadmap. However, despite thorough commercial and financial pre-analysis, Impero cannot be certain that all current or expected development projects will materialize into increased sales or improved profitability. Further, any materialized or non-materialized product development projects may cause a negative impact on Impero’s earnings if such projects do not comply with Impero’s customers’ demands and/or requirements etc.

4.3.6 Dependency on key individuals

Impero's ability to operate its business and implement its internationalization strategy is dependent on the CEO, Rikke Stampe Skov and the CCO, Karsten Mayland. There is a risk that Impero will not be able to retain the two key individuals. A loss of these key individuals could have an adverse impact on Impero's market presence, growth, internationalization opportunities, and thereby revenue and financial position – such loss would require disclosure to the market. The CEO, CCO, and the two co-founders are subject to competition clauses.

The CEO and CCO have a notice of termination towards the Company of 2 months to the end of a month, while the Company has a notice of termination towards the CEO of 9 months and towards the CCO of 6 months to the end of a month.

Impero's growth strategy also requires the addition of new employees. The Company expects the total number of employees 12 months after the Offering to be in the range of 40-45 employees – an increase from 19 employees as of 31 December 2020. Therefore, access to competent and qualified employees, particularly within sales and software development, is a vital objective. In addition, the internationalization strategy will require employee recruitment in local regions.

There is a risk that Impero is not able to attract and retain the right employees at a pace matching the growth and internationalization strategy, which could have an adverse impact on Impero's internationalization plans, and, consequently, the Company's revenue and earnings.

4.3.7 Continued operation

As a SaaS solution provider, it is essential that Impero's online platform is always working. Impero has established a capable organization to always maintain operations. Breakdowns during which customers are unable to access or fully use Impero's platform for shorter or longer periods could negatively impact the Company's ability to retain existing customers and attract new customers. This could have a negative effect on Impero's revenue, financial position, and reputation.

4.4 FINANCIAL RISK

4.4.1 Liquidity risks

Impero is in a growth and internationalization phase, which requires access to capital. This phase focuses on commencing an international business expansion with new customers.

While the proceeds from the Offering are expected to provide sufficient liquidity to execute Impero's growth strategy, however, there can be no assurance that Impero will have sufficient capital and liquidity to reach its strategic objectives.

Impero does not expect to be able to achieve a positive EBITDA before 2024, which may create a situation where additional capital is required to finance the Company's continued growth. The Company expects the proceeds from the Offering to last two years from the time of the Offering.

Even though Impero's organizational setup is highly adaptable to changing circumstances and can be adjusted to ensure higher profitability by lowering the accelerated growth rates, there is a risk that Impero will be required to raise additional capital. Here, there can be no assurance that such additional capital will be available to Impero on favorable terms.

Additional capital raises may dilute the Company's shareholders and could have a negative impact on the price of the Shares.

4.4.2 Currency risks

Impero operates from Denmark with customers in several countries. The Company intends to expand its customer base to other Northwestern European and potentially North American and Asia-Pacific countries. Customers are generally invoiced in EUR, although occasionally in local currency. The Company makes no hedging of exchange rate fluctuations.

With Impero's increasing international activities, there will be an increased risk of losses in the event of exchange rate fluctuations. The Company will continuously assess how these exchange rate fluctuations can affect its liquidity. If there is an increased currency risk, Impero will seek to hedge this risk through ordinary exchange rate hedging agreements.

4.5 RISKS RELATED TO THE OFFERING AND THE SHARES

4.5.1 Share price development

Investing in shares and securities is always associated with risk. Prior to the Offering, there is no public market for the Company's Shares.

There is a risk that an active and liquid trading market may not develop, or if developed, will not be sustained after the Offering.

If an active and liquid market does not develop or does not remain developed, there is a risk that the liquidity and trading price of the Shares could be materially affected, and investors may have difficulty selling their Shares.

The market price of the Shares may vary from the Offer Price and may be higher or lower than the price paid by investors.

There may be fluctuations in the trading price of the Shares as a result of many factors, including external factors such as – not an exhaustive list of factors – financial results varying from expectations, changes in expectations to future performance, economic downturns, changes in business or regulatory conditions, or changes in geopolitical conditions.

There is also a risk that the global securities market is experiencing significant price and volume fluctuations, which may have a material adverse effect on the Shares' market price and liquidity.

4.5.2 The Offering of shares

The Offer Shares are applied for admittance to trading on Nasdaq First North Growth Market Denmark. The admission, as well as the continued admission to trading on Nasdaq First North Growth Market Denmark, is subject to all admission requirements for the Company's Shares are met, as described in section 2.3 in the Nasdaq First North Growth Market - Rulebook and set forth by Nasdaq First North Growth Market, before the first day of trading and continues to be complied with. If such requirements are not met, the application will be rejected by Nasdaq Copenhagen.

Withdrawal of the Offering can also occur as a decision made by the Company. This event can take place any time prior to the announcement of the result of the Offering. In the event of a withdrawal, such information will be announced immediately through Nasdaq First North Growth Market.

Nasdaq First North Growth Market is a multilateral trading platform operated by Nasdaq and does not have the same legal status as a regulated main market.

Companies that are trading on Nasdaq First North Growth Market are subject to a less extensive regulatory framework than the framework applicable to companies trading on the regulated main market.

However, the Market Abuse Regulation applies to both the regulated main market and Nasdaq First North Growth Market.

Investing in a company listed on Nasdaq First North Growth Market may potentially be riskier than investing in a company listed on the regulated main market, and investors risk losing part or all of the investment.

4.5.3 Sale of shares by Major and Existing Shareholders

There is a risk that after the Offering, the market price of the Shares may decline as a result of the sale of Shares in the market or the perception that such sales could occur. Such sales may make it difficult for the Company to issue new shares in the future if deemed appropriate.

Sale of a large portion of Shares by members of the Company's Board of Directors, Management Team, or other dependent or independent Major Shareholders, or the perception that such sales could occur, may cause a decline in the market price of the Shares.

In connection with the Offering, all Existing Shareholders of Existing Shares before the Offering have agreed to enter into lock-up agreements, obligating the Existing Shareholders to not sell, offer for sale, enter into any agreement regarding the sale of, pledge, or in any other way directly or indirectly transfer the Existing Shares or votes in Impero without the prior written consent of Grant Thornton acting as Certified Adviser for the Company. Such consent may be granted if deemed reasonable and necessary due to specific matters, e.g., for tax reasons, and is not to be unreasonably withheld or delayed by the Certified Adviser. The lock-up obligation shall apply from the first day of trading and for a period until the end of the specified periods in the table "Shareholder lock-up period" following the first day of trading.

After the expiry of the lock-up obligation, Existing Shares are released from the lock-up obligation. For major shareholders, the Management Team, and the members of the Board of Directors, the Shares are released in five instalments of equal size. The remaining minority shareholders' Shares will all be released when the lock-up obligation expires.

The lock-up obligation does not apply to Shares acquired in connection with the Offering, including Shares acquired during the presubscription period or later. See table "Shareholder lock-up period" for an overview of shareholders under lock-up.

Shareholder lock-up period (to 4.5.3)

Shareholder	Length of lock up period
Kolind A/S ¹	12 months
JG Invest & Consult ApS ²	12 months
Morten Balle	12 months
Jacob Engedal Sørensen	12 months
Locasochka ApS ³	12 months
K. Bollerup Holding ApS ⁴	12 months
Carger Invest ApS ⁵	12 months
Jørgen Bardenfleth	12 months
Rikke Birgitte Skov ⁶	12 months
Green Dot Holding ApS ⁷	12 months
Morten Christensen	12 months
Thomas Aagaard	12 months
Jane Hjort Nielsen	12 months
Trine Gantriis Koch-Nilsen	12 months
Lise Kildsgaard	12 months
Anne Koldby Rasmussen	12 months
Oliver Hoog	12 months
Gregory Obanas	12 months
Olivier Pinon	12 months
Emmanuel Surleau	12 months
Arnaud de Bossoreille	12 months
Mateus Costa	12 months

1) Kolind A/S is ultimately owned by Lars Kolind

2) JG Invest & Consult ApS is ultimately owned by Jørn Gregersen Grove, who is a Board member of the Company

3) Locasochka ApS is ultimately owned by Karsten Mayland, who is the CCO of the Company

4) K. Bollerup Holding ApS is ultimately owned by Kristian Bollerup Jensen

5) Carger Invest ApS is ultimately owned by Carsten Gerner, who is a Board member of the Company

6) Rikke Birgitte Skov's shares are partially held in Blue Squared ApS. Rikke Birgitte Skov is the CEO of the Company

7) Green Dot Holding ApS is ultimately owned by Martin Pronk, who is a Board member of the Company

The warrants issued by the Company in January 2021 pursuant to Appendix E in the Company's articles of association, which can be found on the website of the Company, are subject to various vesting milestones and cannot be exercised until after the publication of the Company's half-year financial report regarding the financial year of 2021, regardless of whether they have vested before. Warrant holders under the 2021 Warrant Program has signed lock-up agreements in terms equal to the terms of the lock-up obligations applying to Existing Shareholders.

All members of the Board of Directors, the Management Team and the Founders holding warrants (see 9.3.3. for more information) have signed lock-up agreements regarding shares subscribed based on warrants in terms equal to the terms of the lock-up obligations applying to Existing Shareholders.

4.5.4 Shareholders with significant influence

At the date of this Company Description but prior to the Offering, the Company is owned directly and indirectly by 5 Major Shareholders (See table Major Shareholders shares under lock-up and for more information on current share capital and ownership see section 10).

In the event that the Offering results in the number of Offer Shares sold in the Offering, the Major Shareholders will own 71.97% of the Shares. These Major Shareholders have the ability to influence or determine the outcome of specific matters submitted to the shareholders for approval.

These matters could include election or dismissal of members of the Board of Directors, policy on dividends, and amendments to the Company's articles of association.

As a result, the Major Shareholders may have the ability to influence the future direction of Impero. The interest of the Major Shareholders with significant influence could differ from the interest of minority Shareholders.

Major Shareholders shares under lock-up (to 4.5.4)

Shareholder	Number of Shares under Lock-up
Kolind A/S ¹	4,883,860
JG Invest & Consult ApS ²	4,717,170
Morten Balle ³	1,371,700
Jacob Engedal Sørensen ⁴	1,152,670
Rikke Birgitte Skov ⁵	725,590

1) Kolind A/S is ultimately owned by Lars Kolind

2) JG Invest & Consult ApS is ultimately owned by Jørn Gregersen Grove, who is a Board member of the Company

3) Morten Balle's shares are partially held through the company PN12 Invest ApS, which is co-owned with Jacob Engedal Sørensen

4) Jacob Engedal Sørensen's shares are partially held through the company PN12 Invest ApS, which is co-owned with Morten Balle.

5) Rikke Birgitte Skov shares are partially held through Blue Squared ApS. Rikke Birgitte Skov is the Company's CEO.

4.5.5 Offering additional shares

Impero may decide to raise additional capital in the future in order to pursue growth opportunities, invest in current business ventures, or for other purposes deemed relevant and necessary by the Board of Directors. Impero is in a growth and internationalization phase, which requires access to capital. This phase focuses on commencing an international business expansion with new customers. In its pursuit to raise additional capital, the Company may decide to issue additional equity, which may result in dilution of the Shares.

4.5.6 Future dividends

Impero's ability to pay dividends will depend, among other things, on its financial condition, working capital requirements, and the availability of distributable profits and reserve and cash available, and other factors as the Board of Directors may deem relevant. Impero has no intention to pay dividends in the coming years.

The Company is in a growth phase and intends to reinvest any profit in activities to continue the growth. Dividends are decided by the Annual General Meeting following a proposal from the Board of Directors.

4.5.7 Unsecured subscription undertakings

Impero has obtained subscription undertakings for a total of DKK 23.93M in share value from Pre-subscribers. No compensation will be given to the Pre-subscribers for their respective undertakings, and the same terms and conditions as for other investors in the Offering apply to the Pre-subscribers' investments.

The subscription undertakings are not secured by e.g., blocked funds or pledge of collateral, bank guarantee, or similar arrangement.

It pays to invest in compliance.
**Costs of non-compliance are
estimated to be 2.7x the costs
of compliance activities**

- Ponemon Institute LLC

5. Industry overview

5.1 INTRODUCTION TO INDUSTRY OVERVIEW

Companies worldwide, irrespective of industry, location, sector, or size, must comply with external and internal standards. The need for compliance is universal, and as organizations grow and become more globalized, staying compliant becomes increasingly difficult. Moreover, the negative consequences of non-compliance are increasing, potentially resulting in detrimental impact on companies' reputations and significant fines.

Compliance is here to stay - and to grow.

5.1.1 Introduction to governance, risk management and compliance (GRC)

The concepts of governance, risk management, and compliance (GRC) have now become integrated parts of most organizations. Governance should be understood as the internal rules, values, and objectives of a company. Risk management is the process of identifying and managing risks, where compliance aims to see that the organization acts with integrity and in accordance with regulatory, contractual, and self-imposed obligations and values. GRC has become vital for companies to stay competitive in a global environment and avoid the risk of potential frauds, penalties, and financial losses - not to mention the severe damage that can impact a brand for years to come when companies do not comply with rules and regulations.

The three concepts of GRC define the market in which Impero competes. GRC is a wide-ranging concept consisting of a large number of both simple and more complex solutions, single-point and end-to-end solutions, but also many other more specific tools such as internal auditing, control, and document management. However, in the end, it is all about compliance management; complying with either or both external or internal requirements is the decisive process, as it indirectly includes the concepts of risk management and governance as well.

In Impero's compliance management platform, both governance and risk management are directly or indirectly included in the platform's functionalities.

For companies to manage constantly changing business environments and requirements from internal and external sources, there is an imperative need to digitize risk and compliance management. Although the digital agenda has swept across companies, other services, and industries worldwide, many risk and compliance management processes have remained analog, time-consuming, poorly documented, and not agile nor dynamic.

G

Governance
The rules, values, and objectives of a company

R

Risk management
The process of identifying and managing risks

C

Compliance
Acting with integrity with regulatory, contractual, and self-imposed obligations and values

5.1.2 Digital disruption in a growing market

The digital transformation for improved and more efficient compliance and risk management is accelerating, with companies worldwide realizing the need for software platforms to replace the current analog and inefficient compliance and risk processes.

This is also evident in the development of the global GRC market for software and services, which is expected to increase with a CAGR of 13.5% from 2020 to 2025¹. Compliance management software providers are now actively participating in empowering compliance cultures in organizations.

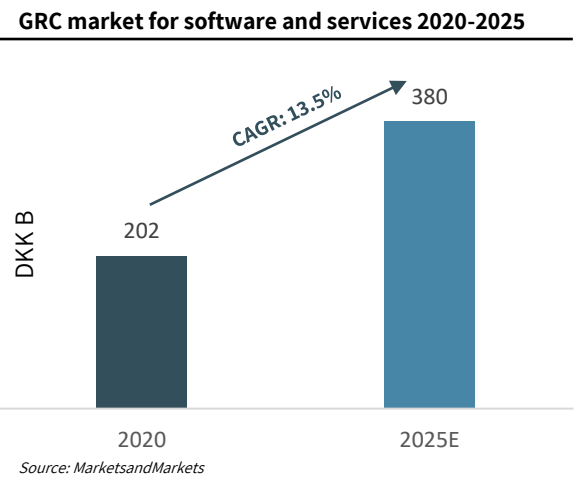
1. MarketsandMarkets

Thus, GRC software is becoming an integrated tool in organizations’ change management and digital disruption, thereby dictating GRC software to be user-friendly, scalable, intuitive, and affordable for being successfully implemented in organizations – just as Impero.

5.2 THE GRC MARKET

The GRC market is highly fragmented and illustrates wide product differentiation, spanning from simple IT tools, stand-alone compliance solutions, and one-stop compliance software platforms. The global GRC software market was in 2020 measured to consist of more than 1,000 professional service firms offering services related to GRC² with both local and international players. Globally, the GRC market for software and also services was valued at DKK 202B in 2020 and is expected to increase to DKK 380B by 2025 at a CAGR of 13.5%³. This underlines the growing demand from companies across the world to digitize compliance management, but also the demand for GRC consultancy services to facilitate the change, which include Impero’s partners.

This trend is particularly noticeable among large and mid-sized companies. Large and mid-sized companies are currently responsible for 89% of all GRC inquiries⁴, as the digital adoption of GRC software with these companies are more advanced compared to smaller companies. However, it is expected that smaller companies will follow the trend of GRC adoption in the future.



5.2.1 Regional GRC markets

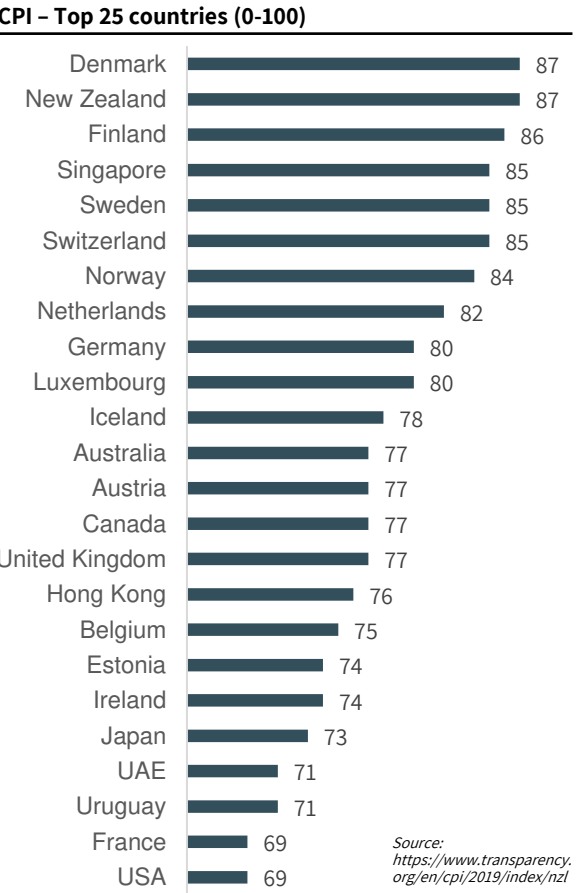
The adoption of GRC requires countries to have a general culture for compliance driven by factors like regulation and legislation, corporate culture, and suppliers and consumers demanding compliance from companies. Here, the dominating markets within GRC are North America and Europe, accounting for 81% of the total market size in 2020⁵

2. GRC 20/20, LLC
3. MarketsandMarkets
4. GRC 20/20, LLC
5. GRC 20/20, LLC

However, other developed countries such as Australia, New Zealand, Singapore, and Japan are also key markets for GRC.

A key indicator of the degree of adoption of GRC solutions is the Corruption Perceptions Index (“CPI”). The CPI scores and ranks countries/territories based on how corrupt a country’s public sector is perceived to be by experts and business executives. The CPI is measured on a scale from 0 to 100, with 100 being the lowest degree of corruption. Here, Northwestern European countries are some of the most likely countries to adopt GRC solutions. Many of these countries also top the rankings on digitization, underlining the need for GRC software, while political regulations and global information requirements are growing exponentially. As these political actions are expanded globally, Impero’s addressable market will continue to grow.

In addition to the fact that Impero is developed in Denmark, one of the frontrunners in compliance, the Company has already signed customers headquartered in 9 of the top 25 CPI countries, proving that Impero’s platform is relevant in countries both in Europe and worldwide. At the same time, Impero is tapping into a growing, fragmented global market.



5.3 THE ADDRESSABLE MARKET

Impero has an estimated total addressable market of DKK 6.3B⁶ based on companies with a specific size (DKK 1B to 7.5B and above) located in key countries demanding proper compliance. Further, the degree of complex compliance processes within an organization is essential for the adoption of compliance software. Impero's primary addressable market is companies with such traits primarily located in countries scoring high on CPI, thus Northwestern European countries and some global, developed countries.

5.3.1 Top tier segment

The **top tier** segment represents customers headquartered in Northwestern Europe, in countries with a high degree of compliance – high CPI rankings. Large companies in these countries typically have complex compliance processes, thus comprising many potential risks and controls. The size and complexity of companies are represented in the segmentation by the companies' revenue. Companies in the top tier segment have DKK +7.5B in annual revenue.

The countries are:



5.3.2 Mid-market

The **mid-market** segment has the same characteristics as the top tier market, however with lower revenue, in the range of DKK 1B-7.5B. The mid-market represents companies that, despite their size, still have rather complex compliance workflows or are active in industries that require a higher degree of compliance (i.e., Pharma, automotive or insurance).

The countries are:



5.3.3 New markets

New markets comprise non-European countries that have a clear demand for compliance (i.e., US, Canada, Australia), including both the top tier and mid-market segment in these countries.

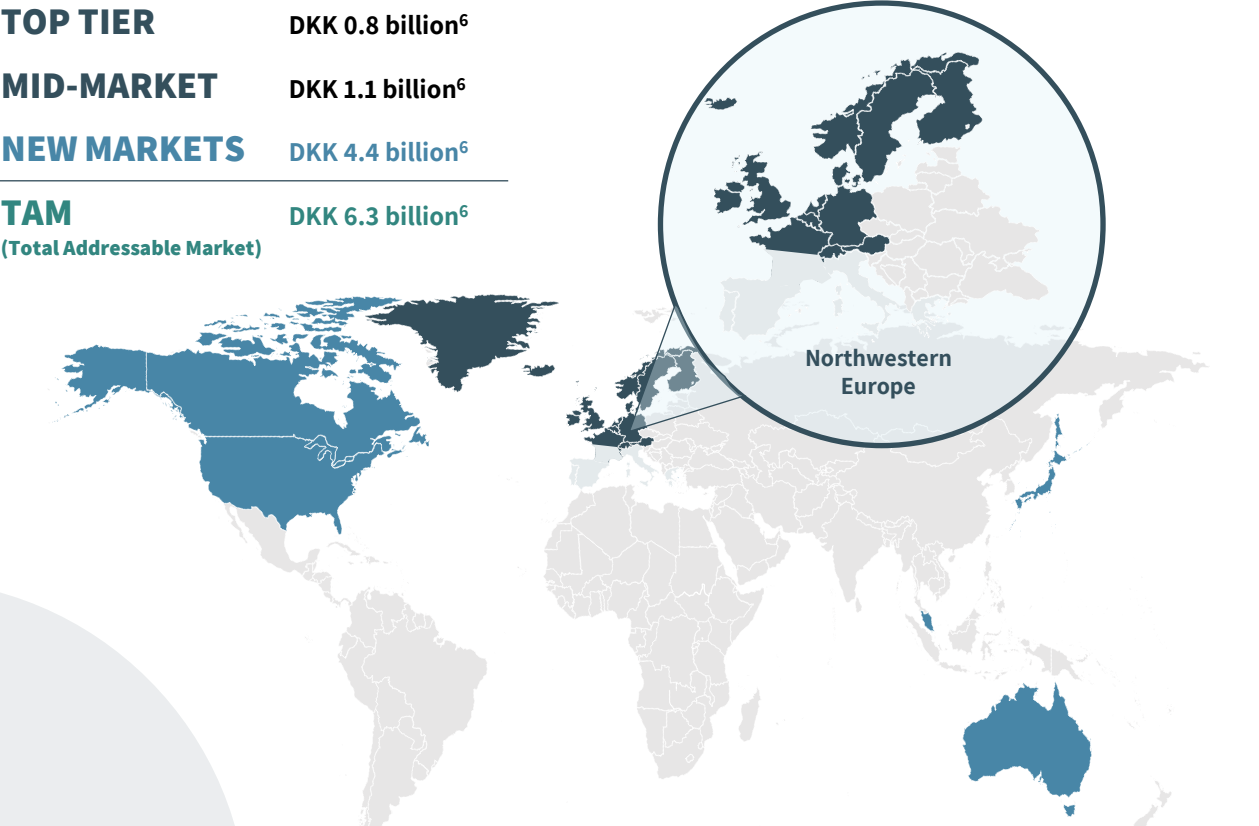
The countries are:



In general, Impero is not limited to certain types of companies but is applicable and value-adding in all types of companies and industries. With current customers in top-tier, mid-market, and new markets, Impero has already proved its relevance and strong product-market-fit.

Total addressable market in three segments

TOP TIER	DKK 0.8 billion ⁶
MID-MARKET	DKK 1.1 billion ⁶
NEW MARKETS	DKK 4.4 billion ⁶
TAM (Total Addressable Market)	DKK 6.3 billion ⁶



6. Source CapitalIQ: Ticket size for companies with DKK +7.5B in revenue is estimated to DKK 400K, and DKK 150K for companies with revenue in the range DKK 1B to 7.5B.

External and internal factors are driving companies to increase compliance in an efficient and digital way

EXTERNAL FACTORS



Adhere to regulatory and legislative requirements



Mitigate risk of fines or damaged company reputation



Adhere to customer and supplier demands for compliance



Demand for simple and intuitive compliance management software

=



Empower a digital agenda



Adopt a compliant culture throughout the entire organization



Streamline workflows and documentation

INTERNAL FACTORS

5.4 TRENDS AND DRIVERS

The growth in the global GRC market is driven by several underlying market and purchasing trends, both deriving from external and internal pain points and demands. Regulatory and legislative requirements are continuously increasing for companies worldwide and are even further accelerated by a focus on internal audit, compliance, and transparency following the global financial crisis in 2008. The risk of fines, severe damage to a company's reputation, and increased focus on compliance from both consumers and suppliers force companies to adopt more stringent compliance workflows. Here, digital compliance management solutions are now enabling companies to tap into the digital agenda and efficiently manage requirements to the benefit of the entire organization and society at large.

5.4.1 Regulatory and legislative requirements

Companies are expanding and distributing globally, making business activities and compliance processes even more complex. Complying with regulations and legislation on cross-border activities can be both complex and time-consuming for many companies. At the same time, more and new regulatory policies are rapidly emerging to hinder fraud and financial crime, which requires companies to increase documentation, internal surveillance, and auditing. Additionally, companies with activities in countries with a low degree of compliance must also prove that their subsidiaries report and work under the same regulations and legislation as the country of origin.

The process of adapting every-day-work to new regulatory changes can be long-term and costly. The Economist Intelligence Unit reports that 89% of managers say that the overall cost of compliance has increased. Also, 79% agree that a proactive approach to compliance can be a source of competitive advantage⁷.

Hence, being proactively compliant and risk-aware is no longer only a question of avoiding fines but essential for companies to operate in an efficient manner.

5.4.2 Tax and finance regulatory environment

In the aftermath of the financial crisis in 2008, tax and finance regulations have significantly tightened and are continuing to do so, making tax and finance compliance processes more complex than ever.

This means that companies must be aware and ready for changing regulations from governments concerning their industry's tax and internal policies.

Deloitte reports that 44% of tax directors consider managing changing tax laws and regulations their top priority, while 93% believe it will have an influence on their business⁸. These two statistics also illustrate a clear issue in current tax compliance; almost all tax directors acknowledge the impact of continuously changing tax laws and regulations in their work, but less than half have management of these changes as a top priority.

Tax compliance is a must, and with fast-developing requirements, companies are challenged on their quality of tax compliance, demanding up-to-date and digital solutions.

As with tax, increasing finance compliance and reporting obligations are forcing companies to collect large amounts of data and document processes to demonstrate that certain regulations and requirements are complied with. For larger and more complex companies with business units across several countries, the increasing regulatory and legislative demands within finance and auditing have also made it significantly more challenging and time-consuming to maintain compliance.

Thus, as tax and finance functions are facing complex compliance challenges, there is an imperative need to adopt compliance management platforms that can streamline compliance activities, easily change the compliance culture, and improve these functions' underlying compliance quality and agility.

5.4.3 Company reputation and trust

"It takes five years to grow your reputation and five minutes to ruin it"- Warren Buffet

The Economist Intelligence Unit reports that non-compliance with regulations is the main source of reputational risks⁹. Non-compliance cases have proven to have a significant negative impact from not only fines and penalties, but to a much larger extent through the loss of revenue and productivity, and business disruption. In relation, 87% of the total costs of non-compliance cases derive from the negative effect on revenue, productivity and business model.

In connection with the increasing regulations and legislation, Ponemon Institute estimates that non-compliance costs have increased by 45% since 2011 due to a more significant impact on business operations.

7. Economist Intelligence Unit (2011): Compliance and competitiveness

8. Deloitte (2013): Global tax compliance and reporting, current insight and future trends

9. The Economist Intelligence Unit (2005): Reputation: Risk of risks



Many financial managers have **high ambitions to digitize 80% or more of risk processes in the next five years.**

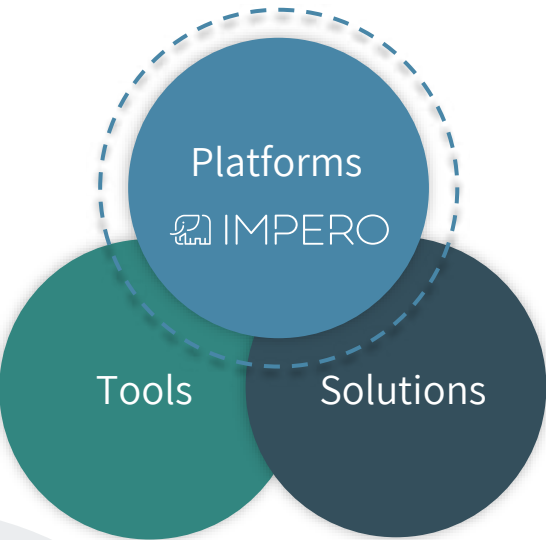
– McKinsey & Company

As the costs of non-compliance cases are estimated to be 2.7x higher than the costs of compliance activities, digital GRC solutions are increasingly becoming an element used to gain a competitive advantage in the market¹⁰.

5.4.4 Digitalization of compliance using software platforms

Although no company wishes to exhibit fraudulent behavior, occupational frauds still occur. Fraud may be reduced by implementing the correct mechanisms to ensure a high level of compliance. ACFE Inc.¹¹ considers lack of internal controls, overriding existing internal controls, lack of management review, and poor communication at management level, the driving internal control weaknesses that contribute to occupational fraud¹². Specifically, it is manager-level perpetrators that are most likely to override internal controls, but poor tone at management level is also central for causing frauds.

For companies to manage the above-mentioned pain points, there is an imperative need to tap into the digital agenda and adopt platforms that in a unified way digitize workflows efficiently and facilitate a strong compliance culture. By proactively digitizing compliance processes, managers can be confident in and trust that reporting, risk management, and controls are carried out correctly.



Companies may use different tools and solutions to digitize their compliance workflows. Many separate tools may be adequate to address and digitize particular issues but make it difficult to maintain the overall overview, which may result in fraud.

Thus, more companies are searching for one-stop solutions that can address said internal weaknesses. Here, platforms provide a range of capabilities that span solution areas and can be used to manage the GRC space extensively. This is the opposite of specific solutions and tools. IT solutions tend to only solve specific problems and address these from a narrower perspective. IT tools only assist and enable a single segment and do not fit adequately to solve multiple pain points.

Impero taps into the trend of digitizing compliance workflows using software platforms where all tools are built into the same system, making it much simpler for employees and managers to carry out compliance processes.

5.4.5 Key purchasing drivers of GRC software

When adopting GRC solutions, the top criteria for choosing GRC-providers are as stated below:



Source: GRC 20/20

10. Ponemon Institute (2017): The true cost of compliance with data protection regulations
11. The Association of Certified Fraud Examiners (ACFE) is the world largest anti-fraud organizations
12. ACFE (2020): Internal Control weaknesses that contribute to occupational fraud

The number one criterion for choosing a specific GRC software is the level of user-friendliness. In general, functionalities that provide more convenient and smooth operations, such as configurability, customer service, and integration capabilities, are considered important by customers. Price and affordability also remain important, as well as functionality and industry focus.

Impero's platform fits well with the key purchasing drivers by being a simple, intuitive, and affordable compliance management software with easy implementation, supported by strong customer service.

5.5 COMPETITIVE LANDSCAPE

Impero's overall competitive landscape is based on the addressable market, described in section 5.3.

5.5.1 Fragmented market

The overall competition can be described as highly fragmented with many global, regional, and local GRC providers. The market comprises both pure GRC providers and SaaS providers in which a GRC module is integrated. The competitive landscape can roughly be divided into four categories.



Enterprise software providers often provide pricy GRC solutions in their full enterprise implementation processes. These GRC solutions are often more complex and not as agile. Further, most of the enterprise solutions are not pure-GRC providers but provides a full suite of various software applications (e.g., ERP, CRM).

Big4 accounting firms provide another group of solutions. These companies have in-house developed solutions primarily used as leverage for sales of larger projects and audits. However, larger customers often require that software provided by auditors and consultancies are independent of the firm itself. Further, several Big4 providers have experienced in-house software solutions as costly and have moved to partnerships with software providers such as Impero.

Local solutions provided by, e.g., Easy GRC (A), 6Clicks (AUS), House of Control (N), and AMANA (D) are also present in the market but are often limited to parts of the GRC suite of functionalities.

Generic tools include analog and non-GRC tools such as mail and Excel. These tools often lack proper compliance functionalities and have typically been tailored by the customers to work on a day-to-day basis. The generic tools can be cost-effective for small organizations with few risks and controls to manage but will be inadequate for larger companies to use. With a clear trend of digitization and moving from IT tools to platforms, it can be expected that a significant part of the relatively large unserved market of generic tools will move away from outdated workflows and implement GRC platforms in the future.


With a fragmented competitive landscape and a significantly unserved market segment, the current GRC market holds room for both larger enterprise solutions and niche players. This enables GRC providers such as Impero to easily differentiate and win market shares on a global, regional, and local scale.

Impero differentiates from large enterprise and Big4 solutions by providing a simple, agile, and intuitive platform with easy and quick implementation. This also makes Impero highly applicable for users of the generic tools with no experience of using compliance management platforms. Further, Impero's powerful partnership channel enables clear differentiation from local solutions that are unable to satisfy the high entry barriers of large, international companies.

5.5.2 Different go-to-market strategies

GRC providers use different go-to-market strategies; some providers focus on direct sales channels, while some have set up partner strategies or a mix of both. The use of different sales channels makes room for GRC providers to more dynamically navigate the market and differentiate their sales efforts. See section 6.10 for more information about the go-to-market strategy.

Impero has developed an efficient and scalable go-to-market strategy that has proven successful in both the DACH region and Denmark. For Impero, the competitive landscape provides significant room for differentiation and growth. Thus, Impero has a strong product-market fit that is expected to remain highly relevant – and become even more relevant in the future.



Impero is well-positioned
to tap into **a growing and
highly fragmented market
with a large unserved
customer segment**

6. Company overview

6.1 INTRODUCTION TO THE COMPANY

Impero provides a compliance management platform distributed as Software-as-a-Service that enables companies to easily manage compliance through automation of risk and control management, documentation, and reporting.

Impero is a RegTech company that taps into the increasing demand for companies to become more compliant in an automated and digitized way. Whether driven by regulatory changes, brand reputation, internal factors, or demands of compliance from consumers or suppliers, Impero can manage all relevant types of risks and controls within compliance and risk management, in which Impero may be used for all types of compliance management processes, including but not limited to GDPR, supply chain management, CSR, HR, IT, and ESG. However, Impero has identified the strategic point of entry is within the tax and finance functions of larger organizations. From here, the proof-of-concept in these departments will serve as a catalyst for the continuous adoption of the software across various compliance matters, across borders, and throughout entire organizations.

At the time of the Company Description, customer base comprises 94 companies headquartered in 10 countries with users in +100 countries, including many large, blue-chip customers. This includes customers such as Volkswagen Group, Trumpf, Vorwerk Group, STARK Group, Hempel, Ecco, BESTSELLER, Novo Nordisk Fonden, Siemens, TDC Group, Arla, and many more. Impero serves 1/3 of all OMX C25 companies in Denmark. 9 of the Company's customers are Fortune2000 companies, which includes 2 of the OMX C25 companies. In addition, Impero has proven applicable in both private and public organizations, both domestically and internationally.

Impero attracts this customer segment through its proven partner channel, teaming up with Big4 accounting firms. The partnership channel also

works as an impactful first-point-of-entry in new markets, whereafter direct sales and uplift will complement the local partner sales efforts once a foothold has been secured in the respective market.

Impero's ambition is to become a global market standard of compliance management software. Supported by an ambitious product development roadmap, a proven platform, strong product-market-fit, and impressive international track-record, Impero will focus on growing its position in Northwestern Europe, and from here, continue the growth journey into the global market.

6.2 THE IMPERO DNA

Impero's vision is to help build a society resting on pillars of trust, transparency, and reliability – and to make compliance simple and intuitive.

Impero is dedicated to making it easier for organizations to deliver what they promise. **Impero builds trust based on actions, not on words.** Companies and organizations have an inherent wish to keep things in order, and become and remain compliant, but for many, compliance management is perceived as time-consuming, rigid, and troublesome. Impero helps companies, organizations, and institutions with their inherent wish to stay compliant – and to do the right things. Impero is built to ease the pain of managing complex compliance challenges so companies can rest assured they are compliant.

IMPERO – COMPLIANCE. SIMPLIFIED.

6.2.1 UN SDG #16 – Peace, Justice and Strong Organizations

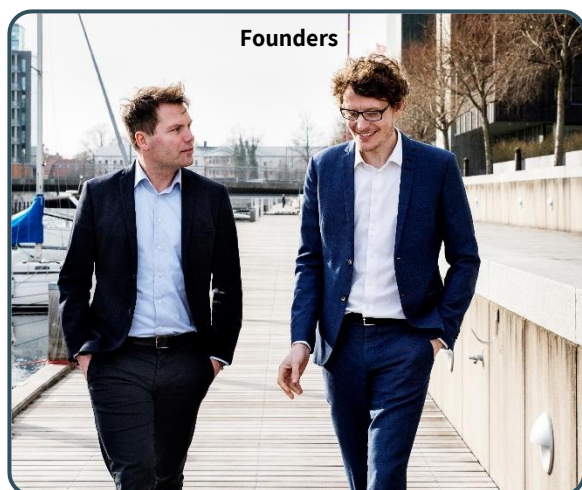
Central to the vision is the adherence to the 16th sustainability goal of The United Nations, which – among others - supports building effective, accountable, and inclusive institutions at all levels. With Impero's aim to promote increased trust and transparency, the Company hopes to help the world become more sustainable to the benefit of society at large.

Looking ahead, Impero has set out on a quest to help even more companies across the world become more compliant to the benefit of all.

6.3 IMPERO'S STORY

6.3.1 From idea to Impero (2014-2015)

During their Big4-careers, Jacob Engedal Sørensen and Morten Balle, the founders of Impero, experienced firsthand that few companies had implemented structured, comprehensive, and reliable internal control processes. The founders identified a general need and a substantial commercial potential for an easy-to-use digital, unified compliance management platform.



Not only would such a compliance management platform help companies optimize their governance, risk, and compliance processes in a scalable way; on a grander scale, it would contribute to a society resting on pillars of transparency and trust.

The founders acknowledged that in order for Impero to become a global contender, they needed strategic experience and know-how on scaling companies. Therefore, the founders decided to partner with two experienced seed investors, Lars Kolind and Jørn Grove. Working closely with Lars Kolind, Morten and Jacob developed a clear vision and an idea to build a unique solution to the need they saw, and the Company initiated the development of the Impero platform in 2014. The development initially took place in collaboration with two Danish blue-chip customers and one public customer.

6.3.2 Proof-of-concept (2016-2018)

After having proved the platform's functionality and successfully onboarded the first customers, Impero gradually increased its software development capabilities and commercial organization. Testing various sales models during 2016-2018,

the Company attracted a number of Danish and international customers, including Maersk, Audatex, and Vorwerk Group.

Of the different sales models, Impero quickly identified the imperative need for digitalization in tax and finance functions and the attractive entry-point into large companies' organizations from where Impero could uplift to more departments, subsidiaries, or divisions.

6.3.3 Partnerships and expansion (2018-2020)

As Impero's customer base and the organization grew, the need for international management experience grew as well. In 2018, Impero decided to strengthen the management team with Rikke Skov and Karsten Mayland as CEO and CCO, respectively, both bringing substantial commercial experience from their executive careers in, among others, Big4 accounting firms to the Company. Following the management team's expansion, Impero was now able to allocate more leadership resources to prepare the business for scaling. Here, four strategic focus areas were identified:

- **Establish a scalable go-to-market process** that can be marketed anywhere. See section 6.10 for more details.
- **Increase product development capabilities** and streamline the software development process. See section 7.4 for more details.
- **Strengthen customer support capabilities** to secure continuous uplift sales. See sections 6.9.2 and 6.10.3 for more details.
- **Grow direct sales channel** by building an inbound marketing and sales function. See sections 6.9.2 and 6.10.4 for more details.

6.3.4 Capitalize on platform and IPO (2021-)

Today, Impero's compliance management platform has demonstrated its relevance to both Danish and international customers. Currently, the platform has users spanning more than 100 countries worldwide and across a wide range of industries. The Company serves 13% of DAX30, the German blue-chip stock market index, and 1/3 of the companies of the Danish OMX Copenhagen 25 Index, which includes the largest Danish listed companies. With the use of proceeds from the IPO on First North, Impero now plans to accelerate its international commercial activities and product development cadence on the journey to become a market standard for compliance management software.

Impero is determined to successfully bring the business to a new international level.

6.4. THE PEOPLE BEHIND IMPERO

Impero's founders conceptualized a platform that sought to digitize the daily lives of professionals worldwide and make it easy to build trust and transparency in organizations and institutions.

The principles of transparency, trust, and integrity are also the basis for the Company's organizational culture and have resulted in the creation of an innovative tech environment with a flat hierarchy and decentralized structure. Impero embraces an informal and fun yet hardworking and determined atmosphere with space for the individual to excel.

Impero has implemented a 'people first' culture based on the understanding that the right people are key to securing remarkable growth.

The Company believes that when given proper tools in a growth environment, its people will excel.

Impero's organization has grown significantly since 2018 expanding from 10 to more than 25 team members of different nationalities at the time of the IPO. The Company's deliberate diversification strategy in hiring best-fit team members brings many different professional and personal backgrounds and adds diverse talent, skills, creativity, and innovation to the organization. Today, Impero has a very competent organization for the coming accelerated internationalization and growth journey.

As Impero continues its strategic efforts to secure high growth and international expansion, the organization will grow accordingly. This growth will always be anchored in the foundation set forth by the founders and management.

The Management Team



RA IMPERO

CARING

We care about our surrounding world and maintain an attention to details

CURIOUS

We are curious and love to explore through creativity

TRANSPARENT

We are founded in trust and transparency

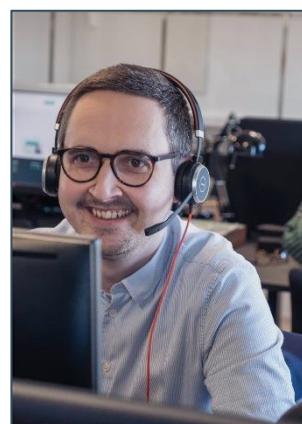
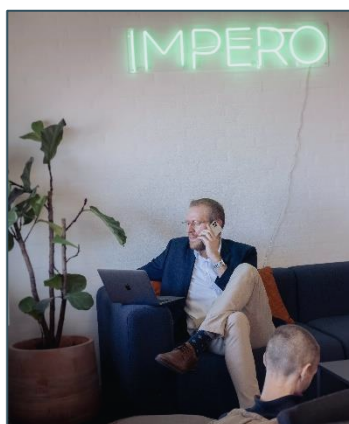
REBELLIOUS

We challenge the status quo



"We are proud to have a people-first culture. We hire the best talents and provide the right settings for these talents to flourish. This is part of the Impero DNA."

Rikke Stampe Skov,
CEO

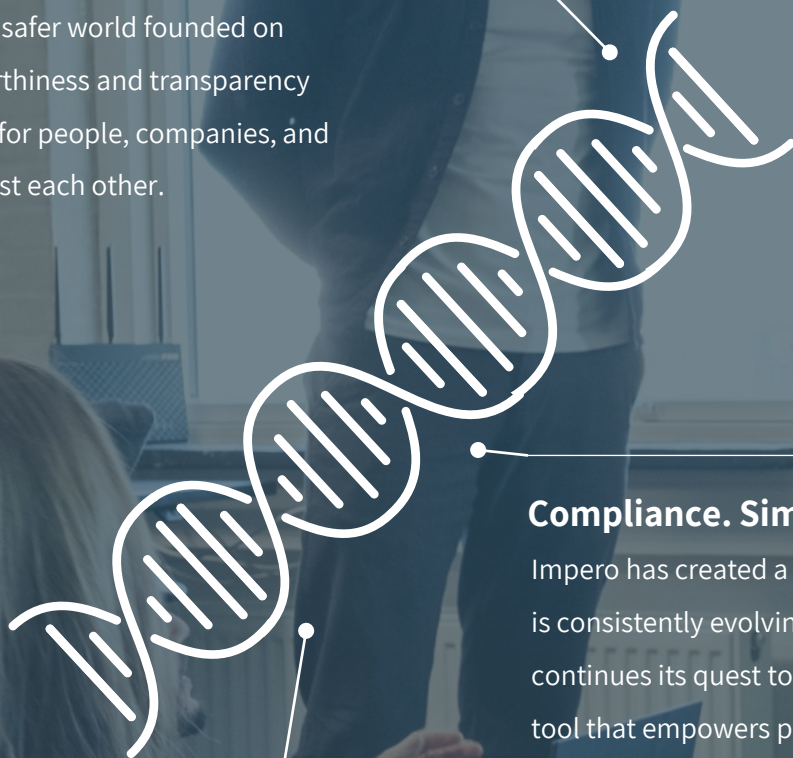




Trust and transparency are at the core of Impero

Trust and transparency made easy

Impero was founded to help build a society resting on transparency and trust. Impero wants to create a safer world founded on pillars of trustworthiness and transparency and make it easy for people, companies, and institutions to trust each other.



Compliance. Simplified.

Impero has created a digital solution that is consistently evolving as the Company continues its quest to provide a unique tool that empowers proactive compliance and creates stronger institutions around the world, as also expressed in the United Nation's SDG #16.

At the core of Impero

The principles of transparency, trust, and integrity are also the basis for the Company's organizational culture and have resulted in the creation of an innovative tech environment with a flat hierarchy and decentralized structure. Impero embraces an informal and fun, yet hardworking and determined atmosphere with space for the individual to excel.



6.5 ONE-TO-MANY DISTRIBUTED CLOUD-BASED SAAS PLATFORM

Impero provides a SaaS platform. The SaaS model ensures high scalability and provides several advantages for both the Company and its customers.

As a SaaS product, Impero's software applications run on a cloud infrastructure on shared computing and data storage resources, meaning customers can easily access Impero from any web browser. As the software is cloud-based, customers do not need to allocate internal IT-resources.

The platform is distributed as a one-to-many model, meaning software services are delivered to multiple users simultaneously. This ensures updates of the software are instantly and simultaneously delivered to all customers worldwide. Hence, the entire customer base is always using the most recent version of the software and enjoy all new upgrades. The one-to-many model enables the SaaS business model to be very scalable and enables Impero only to have one version of the software to support – making IT development and support much more cost-effective, generating low direct costs.

The technical implementation of the Impero platform is fast and easy, requiring no specialized IT skills. The functional implementation, i.e., the mapping of risks and definition of compliance controls within the organization, is also straight forward and can easily be performed by the customer. The cloud infrastructure also enables customers to further adopt the software in other divisions or departments of the company without any assistance from Impero.

Most enterprise customers prefer to team up with an implementation partner with strong capabilities within the compliance area in question. As a key part of the platform configuration procedure and setting up a compliance management framework, the implementation partner (e.g., KPMG) will guide the customer through the process of mapping risks and analyzing, scoping, and defining appropriate compliance controls to be set up in the platform – typically in a matter of days or weeks, depending on the nature and complexity of the customer's organization and business operation.

The platform can easily work as a standalone solution independent from other software or systems. Still, Impero has developed integrations to various software and plans to further develop other secure integrations with third-party systems to enhance more automation opportunities within the customer's organization.

Such integrations to third-party systems are based on secure Application Programming Interfaces (APIs), allowing for data exchange with finance systems, business intelligence platforms, and other business applications.

The cloud-based SaaS model enables Impero to offer the platform on a subscription pricing model. Impero charges its customers an annually recurring prepaid subscription fee based on the number of users. Compared to many installed software solutions with steep initial license fees, Impero's subscription model is an attractive alternative due to its low entry-level fee and inclusive support feature with upgrade options available.

6.6 PROVEN AND SCALABLE BUSINESS CASE

Overall, with customers based in 10 different countries and strong uplift constituting 25% of new ARR, Impero represents a scalable business case with a proven track record in both domestic and international markets. Impero taps into all relevant market trends in a high-growth market and has already gained an impressive customer base of many international blue-chip customers.

Since 2018, Impero's ARR has grown with a CAGR of +50%, driven by traction on both national and international markets. The strong traction has been a result of the Company's continuous efforts toward expanding sales channels and utilizing the scalability and efficiency of both the go-to-market strategy and the one-to-many distributed cloud-based SaaS platform.

6.6.1 2020 in focus

Despite the COVID-19 pandemic, 2020 concluded a positive year for Impero. The Company managed to reach budget targets for the year – and grow ARR by 68%. Most impressively, Impero managed to onboard a total of 33 new customers across the world in 2020, including companies like Volkswagen Group, Siemens, Trumpf, STARK Group, and many more.

Notwithstanding the positive outcome of the year, the COVID-19 pandemic still had some effect on the Company. Impero's partners' on-premise consulting services saw a severe drop, with more people working from home also affecting the sales of Impero negatively. At the same time, the pandemic made it difficult to attract both new customers and partners, as the partner channel relies heavily on networking between Impero, partners, and customers, which was made more difficult with people working from home. The partner channel is also expected to be affected throughout 2021, with the pandemic still affecting companies worldwide.

6.6.2 Impressive SaaS metrics

As of April 2021, Impero expects an annual recurring revenue run rate in the range of DKK 13.5M to 14M. ARR at year's end 2020 amounted to DKK 12.6M. The ARR is a normalized measurement of recurring revenue and states the future expected recurring revenue if no additional revenue is generated. In 2021, the ARR is expected to grow ~50% to an ARR run rate of DKK 18-19.5M at year's end.

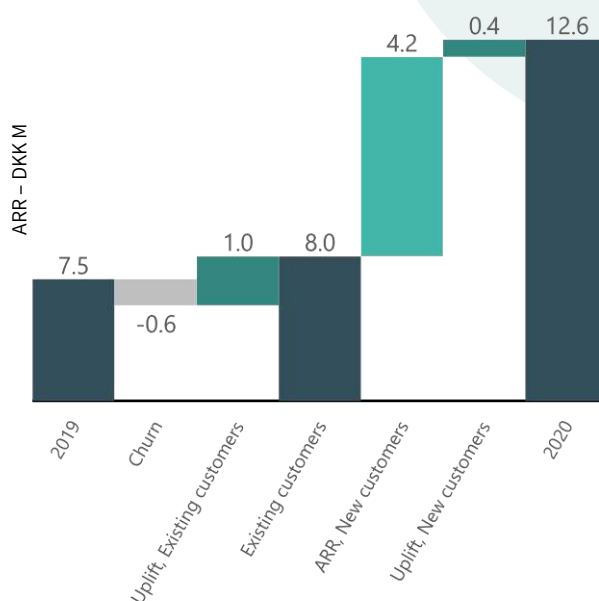
Gross churn¹ represents the amount of subscription that has been lost in 2020. The gross ARR churn rate amounted to 4.4% - equal to DKK 0.56M - for the year comparing to the ARR at year's end, 2020. Impero expects a future steady-state gross churn rate of less than 5%. At the same time, ARR uplift on existing customers grew by 14% - equal to DKK 1.04M in 2020, driven by continuous adoption of Impero in more customers' divisions. As uplift grew more than the churn rate, Impero achieved a negative net churn rate when including uplift activities to the existing customer cohort. An analysis of six-year historic cohort data shows that Impero's customers net uplift (churn included) was on average 18% in the first year of being a customer. In addition to ARR uplift on existing customers, ARR uplift on new customers grew by 9% - equal to DKK 0.4M in 2020, meaning customers uplifted within the same year. This illustrates just how scalable the platform and SaaS business model is.

In 2020, new ARR from new customers amounted to DKK 4.24M. One of the key contributors to the high growth in 2020 was the DACH region with signings of 13 new customers (21 in total) and an ARR growth rate of 323% to an ARR run rate for this region of DKK 3.4M of Dec20. This amounted to 46% of the new ARR generated in 2020.

Based on Impero's performance in 2020, the payback time of acquiring new customers² is less than 12 months when including all sales costs. The payback time on new customers is calculated as the average number of months of gross profit it takes to cover the average customer acquisition costs. Excluding sales personnel costs, the payback time on new customers is < 3 months.

The attractive payback time and a high gross profit of 95% illustrate that Impero has a robust unit economy with few costs associated with maintaining and running customers. The payback time on new customers illustrates that the gains of onboarding a new customer will have a delay of 12 months, meaning there will be a lack between costs and revenue.

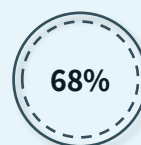
Factors impacting ARR – DKK M (2019 to 2020)



Key SaaS metrics



ARR run rate as of 2020 (DKK)



ARR Growth in 2020



ARR growth in DACH region in 2020



Expected ARR CAGR growth (2021-2023)



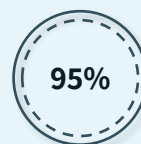
Payback time in months per new customer²



Gross ARR churn rate as of 2020¹



Avg. ARR per customer in 2020



Gross margin on software 2020

1. Calculated as churned ARR divided by ARR at year's end 2020
2. Calculated as Customer Acquisition Costs (CAC) divided by average gross profit per customer in 2020 (avg. ARR * gross margin on software) multiplied by 12 months. Customer acquisition costs is calculated as the costs associated with acquiring new customers in 2020 divided by the number of new customers in 2020. This includes sales and marketing costs and salaries to salespersons. Payback time is <3 months when excluding salaries to salespersons in the numerator.

VOLKSWAGEN

AKTIENGESELLSCHAFT

VOLKSWAGEN GROUP ON IMPERO

“Impero is a great match for Volkswagen's tax function.

With our joint effort, Impero is being rolled out throughout the [Volkswagen] Group and its subsidiaries, supporting our ongoing work with tax compliance management. Impero is a flexible, adaptable and efficient platform that with ease has been tailored to our needs”

- Petra Baumgarten

Head of Tax Reporting & Tax Compliance, Volkswagen Group

6.7 CUSTOMERS

Impero has a well-diversified customer base with 94 customers at the date of the Company Description, comprising both private and public customers. From December 2020 to the date of the Company Description, 2 smaller customers have churned while 3 new customers have been onboarded. Thus, the total number of customers is 94. Most of the customer base is large international corporations headquartered in 10 countries. Impero's top 20 largest customers make up 55% of total ARR, with no customer constituting more than 10% of total ARR, and most customers fall between 1-2% of total ARR. Hence, Impero faces little dependency toward only a few customers, and operational exposure is sufficiently diversified.

Impero's customer base, among others, includes:

- **1/3 of all OMX C25 companies**
- **3 of the 5 largest listed companies in Germany**

Companies are primarily headquartered in countries with a track record of high compliance standards and are particularly well-suited for Impero's software platform since they all operate under high levels of complexity and face a vast amount of regulation. In addition, there is a strong product-market fit rooted in the large number of internal controls performed by large organizations. These organizations operate across the international landscape, including ongoing activities in riskier markets, exposing them to uncertain risks and lack of transparency related to compliance procedures, taxation requirements, and other financial regulations. Many of Impero's customers are well-known to the public, and therefore legal misconduct and failure to comply with regulation could potentially have devastating economic consequences and jeopardize the company's reputation.

During the past 3 years, Impero has managed to triple the number of new customers. With the large market potential stemming from existing and new market segments, Impero expects to extend its customer base to a broader segment in the future. Here, the primary focus will be to drive growth in the Northwestern European market, including the already proven and very attractive DACH region.

"I am humbled to lead a company which plays a profound role in ensuring that some of the world's largest companies can indeed be trusted by their stakeholders."

Rikke Stampe Skov,
CEO

KEY HIGHLIGHTS

 **1/3 of all OMX C25 companies**

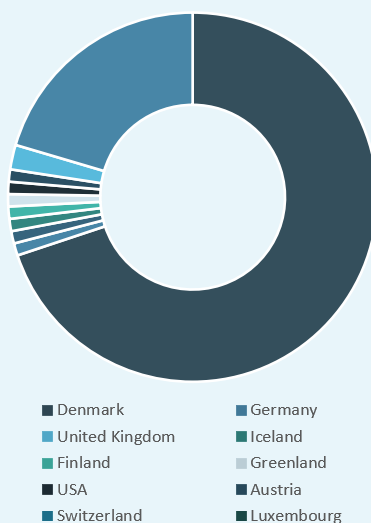
 **9 Fortune2000 companies**
(Including 2 of the OMX C25 companies and 4 of the DAX30 companies)

 **13% of all DAX30 companies**
(Including 3 of the 5 largest listed companies in Germany)

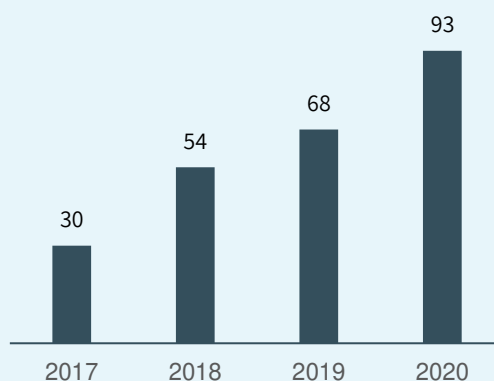
 **Customers HQ in 10 countries**

 **Users in 100+ countries**

Country split (# of customers)



Total # customers



**Customer base includes large, blue-chip
companies with long-standing relationships**

IMPERO IS TRUSTED BY..

VOLKSWAGEN

AKTIENGESELLSCHAFT

SIEMENS

VORWERK

TDC Group




 **SimCorp**

Demant

 **HEMPEL**

 **STARK**

TRUMPF



nemlig.com
DAGLIGVARER NÅR DET PASSER DIG

 **alvotech**

ABOUT YOU[®]

**... accompanied by many other
interesting customers**

VALUE CREATION FOR THE CUSTOMER

EFFICIENCY

Streamline risk mitigation and compliance management to **foster an efficient compliance culture**

ASSURANCE

Rest assured that executive reporting is accurate and reliable, mitigation of risks is effective, and the license to operate is secured

ADOPTION

Enjoy compliance management around an easy-to-use platform, with **easy and quick implementation easily scaled and adopted across an entire organization**

OVERVIEW

Gain full overview of compliance and risk management to reduce the risk of internal errors and misconduct



SECURITY

Ensure that all processes and data **management are fully secure and certified** in accordance with regulations and legislation



Impero strives to help companies become more compliant in a scalable, easy, intuitive, and - most importantly - digital way.

The Impero platform creates value for the customers in several ways, of which the most immediate value creation can be understood along five dimensions; ***overview, efficiency, assurance, adoption, and security.***



6.8 VALUE CREATION FOR CUSTOMERS

Impero strives to help companies become more compliant in a scalable, digital, intuitive, and - most importantly - easy way. The Impero platform creates value for the customers in several ways, of which the most immediate value creation can be understood along five dimensions; overview, efficiency, assurance, adoption, and security.

6.8.1 Full overview of compliance risk mitigation

A key pain point for many companies when addressing compliance needs is the lack of transparency and a clear overview of workflows. Lack of overview results in managers tending to override controls from time to time and a general lack of internal controls. This suggests that a full overview of risk factors, reports, and controls would improve compliance management significantly and add value to these companies.

With Impero, customers can easily organize all risks, controls, and documentation in one place and monitor these workflows in one dashboard. The platform allows customers to organize and delegate tasks, deadlines, and approvals. Thus, Impero helps to create transparent and effective compliance processes where permission levels can easily be managed, with a full audit trail of all actions across entities available.

For mid-sized and larger companies with complex compliance processes and a high degree of regulations and legislation, gaining a full overview helps streamlining compliance across the entire organization, improving overall risk management, and removing the risk of managers or employees overriding controls, tasks, or overlooking risks.

6.8.2 Efficient risk management and compliance

Adapting every-day-work to a new regulatory change can be a long-term and costly process. As mentioned earlier, The Economist Intelligence Unit reports that 89% of managers say that the overall cost of compliance has increased³. Non-compliance cases are still significantly more costly than compliance activities and have been increasing in recent years. This means that no matter how compliance is managed, the cost of compliance management is increasing.

Hence, there is a clear need for companies to adopt digital and more efficient compliance management platforms helping to ensure that companies remain competitive in the market.

Impero provides a platform for companies to streamline the way risk mitigation and controls are managed, thereby fostering an efficient compliance culture. By using the platform, customers can save time and eliminate manual and redundant tasks by automating, structuring, and digitalizing all compliance processes.

6.8.3 Accurate and reliable reporting

When using Impero's platform, customers can rest assured that reporting is accurate and reliable and mitigation of risk is effective. Impero's platform ensures a smooth audit process and establishes the foundation for an accurate control-based audit. Thus, Impero creates a sustainable compliance management program ensuring full accountability across the organization. Managers can rely on complete transparency and on-time completion of controls. By using the Risk Map, customers can verify and document that the risks requiring action are, in fact, mitigated through dedicated efforts.

Taking a proactive stance on compliance can enforce a strong reputation both internally and externally and can be turned into a competitive advantage adding value to the company.

6.8.4 Organizational adoption

Impero's platform makes it easy to achieve fast results and provides a solution allowing customers to enjoy the ease of simple and user-friendly compliance management. The platform can easily be rolled out throughout the entire organization with a smooth and quick onboarding and implementation process. The intuitive and easy-to-use features mean that implementation is quick, and onboarding of new colleagues is easy with everything being set up in a matter of days. Using the platform requires minimal training, and customers can always receive help and support through world-class customer service and assistance from professionals with extensive knowledge of the platform.

The platform also accommodates dynamic and transformative business structures. This enables complete roll-out to decentralized functions and third-parties anytime and anywhere. Impero presents a complete compliance system applicable to large organizations that can manage compliance of all types of risks and controls.

³Economist Intelligence Unit (2011): Compliance and competitiveness

ON PARTNERSHIP WITH KPMG

“Impero delivers a simple and agile platform capable of adapting to our customers’ needs. **The platform’s high performance, intuitive use, and second-to-none support levels make sure our joint projects are always successful.**”

- Ellen Birkemeyer,
Partner, Tax Transformation, KPMG Germany



6.8.5 Data integrity and security

Impero centers compliance management around a highly secure platform with strong data integrity. Impero puts great emphasis on security to reduce the probability of potential loss of data, data breaches, or unauthorized access, thereby protecting customers against data security violations. Impero offers a solution that facilitates enterprise-level security of high quality that adheres to strict security standards and requires no internal IT support or maintenance. The strong data integrity means customers can rest assured that all data is appropriately managed, no matter the type of compliance process – i.e., tax, finance, or GDPR.

6.9 SALES STRATEGY

6.9.1 Focus on tax and finance functions

Impero’s strategic effort for market penetration was initially focused on finance and tax functions in larger companies with complex compliance management frameworks. Despite the strategic focus, the Impero platform is highly applicable to the management of all types of risks and controls. As mentioned earlier, targeting tax and finance functions has been a strategic decision, as these functions provide an entry-point into large companies’ organizations. Tax and finance functions have a clear need for digitization and automation of compliance with increasing and heavy regulations in both areas. In many companies, the system support of these functions has been neglected despite high risks and complexity. Moreover, these functions have touchpoints with all departments in a company, making it easy for the Impero platform to extend from tax and finance to the remaining organization.

6.9.2 Sales channels

Impero uses three sales channels for creating new ARR; partner sales, direct sales, and uplift sales.

The partner channel has since 2018 been the primary channel; however, the two other channels have gained more traction recently. Both the partner channel and uplift channel are cost-effective channels but typically take time. The direct sales channel is not as cost-effective but has a shorter time-to-sale.

Partner channel

Impero teams up with a trusted partner from a Big4 accounting firm. These partners approve and recommend Impero to a blue-chip customer base typically characterized by otherwise high entry barriers. The partners enjoy hourly consultancy services alongside implementing Impero – win-win for both.

In general, the Big4 partnerships provide Impero with a unique advantage in the competitive landscape as the renowned Big4 accounting firms validate the platform by their endorsement. In addition, local Big4 accounting firms recommend Impero to other national branches, allowing Impero to tap into their unique and large worldwide networks. At the same time, it allows Impero’s partners to provide a more customized and differentiated service to its customers.

“Our partnership with Impero enables us to differentiate our offering, delivering digitally advanced solutions, and sustainable tax CMS projects to our clients.

KPMG has collaborated with Impero for several years – their platform is flexible, highly adaptable, and extremely user-friendly, and their high level of customer service is unparalleled.”

Christian Stender,
Partner, Head of Tax Innovation & Technology,
KMPG Germany



Direct sales channel

Impero uses two types of direct sales; inbound marketing and sales and acquisition of customers from legacy – out-of-date – Big4 compliance solutions. As an example of the acquisition of customers from legacy platforms, Impero acquired PwC Denmark’s “PoweredIC” client portfolio in 2020, migrating them onto the Impero platform in collaboration with PwC, adding 10 customers to Impero.

Inbound marketing and sales are key for capturing a broader customer segment of companies and create awareness of uplift opportunities for existing customers as well as general brand recognition in the market.

Compared to the partner channel, direct sales tap into the broader segment of customers. The partner channel typically focuses on a narrower segment of large customers that require a more comprehensive control framework design or review assistance of their compliance processes. However, for companies that do not require such a review or are too small for the Big4 accounting firms to be working with, the partner channel might neglect future potential customers.

To attract more customers from this broader segment, Impero has set up a clear, direct sales strategy that will accelerate growth with both new and existing customers. Here, Impero has onboarded key personnel to enhance and expand the direct sales channel.

See section 6.10.4 for more details.

Uplift channel

The last of the three sales channels is the uplift channel – meaning uplifting customers’ current annual recurring revenue by adding more users within the customer’s organization. Historically, existing Impero customers have uplifted significantly, but new customers have also uplifted within the same year as Impero was first implemented – underlining the platform’s high scalability and the SaaS business model.

The dedicated Customer Support team creates uplift sales by either encouraging more users within existing functions (i.e., tax) or inspiring customers to map and implement Impero in other business areas that may benefit from the platform. The Customer Support team’s increased efforts improve uplift sales and also improve the stickiness of the platform with these customers.

In addition, the Customer Support team aims to maintain high customer satisfaction, in return enabling potential uplift and lowering the risk of customers churning.

In general, Impero receives few support tickets, primarily due to the platform’s ease of use and intuitiveness. Uplift on current customers poses great potential and cost-effective sales, as customer acquisition costs are significantly lower than attracting new customers. In some cases, customers even have internal promoters of Impero to promote more compliant processes across the organization.

This also means that organizations with many complex compliance workflows pose more potential for uplift. With the current customer base comprising many customers with said characteristics, there is significant potential in the current customer base – both from adding more users in existing functions and new compliance workflows.

Recognizing the commercial potential of uplift, Impero plans to expand its customer support function to further strengthen customer relations and develop existing accounts through uplift. Establishing more hubs in different markets will be a positive contributor to the Customer Support team. See section 6.10.3 for more information on the internationalization strategy for uplift.

In addition to more international hubs, Impero has planned for an elaborate digital learning center, the Impero Ecademy, with online tutorials, videos, and other digital support services to inspire customers to extend their use of the Impero platform. In addition to more uplift, the Impero Ecademy will further contribute to increasing the Impero platform’s stickiness.



13,000 employees | 70 countries | Germany HQ

BACKGROUND:

Vorwerk Group ("Vorwerk") is a conglomerate that provides a wide span of household products, from cosmetics and beauty products to flooring and kitchen items. The company is represented in more than 70 countries with 13,000 employees and 610,000 independent sales partners. To continue the implementation of sustainable strategies, Vorwerk has put a strict focus on creating a digitalized organization.

THE CHALLENGE:

A complex organization such as Vorwerk faces many challenges in setting up control processes and ensuring full documentation. Here, Vorwerk saw an essential condition for future operations to implement a system that could automate and streamline transfer pricing control processes, provide clear documentation, and foster a tax compliance culture. Vorwerk chose to move away from a perceivably outdated manual control process and implement Impero to efficiently optimize these processes.

THE RESULTS:

Vorwerk's tax department was onboarded in a day and sent out the first controls within a week. **According to Carsten Bonnerup, transfer pricing director, any concerns about implementing new IT-systems instantly vanished with Impero's seamless workflow and opportunity for a clear and concise control overview.** Vorwerk accelerated the adoption of Impero's platform and scaled its transfer pricing controls to include upwards of 1,700 controls by the end of 2020. Further, implementing Impero also improved the accuracy of the controls and minimized the margin of error in the tax department's documentation. Impero proved to help Vorwerk facilitate and establish a high-level compliance culture across divisions and countries. Today, Carsten Bonnerup has become an internal promotor of Impero:

“Impero has been a catalyst for the transformation of our approach to tax controls. Prior to implementing the platform, we worked with a limited number of formal controls and now we expect to document 1,700 controls by the end of 2020. This would not be possible without Impero.

”



6.10 GO-TO MARKET STRATEGY

The Impero platform is developed for the global market and can potentially be marketed anywhere in the world. To optimize go-to-market activities, the Company concentrates its sale efforts on the top tier and mid-market companies in markets and market segments seeking high compliance standards. The Company’s sales focus is primarily on the Northwestern European market, with a later addition of countries in North America and Asia-Pacific scoring high on the Corruptions Perception Index as described in section 5.3.

Impero’s international expansion is managed by the Company’s international sales team and headed by the CCO. The global sales team is following a highly scalable 5-stage go-to-market strategy for entering new markets. Combining all of Impero’s sales channels, as explained in the following sections, the go-to-market process has already demonstrated successful market penetration in the Danish market and the DACH region. The 5-stage go-to-market process will also be the paradigm for future market entries.

6.10.1 Teaming up with strong, local partners

Associating with a strong, local partner is an essential first step for entering a new market. Impero teams up with one of the Big4 accounting firms with a solid position in the market and a wide network within Impero’s target segments.

For the partner, working with Impero provides an exclusive opportunity to introduce its customers to Impero’s best-in-class compliance management platform – an effective means for strengthening

customer relations, often leading to various platform-related consultancy assignments.

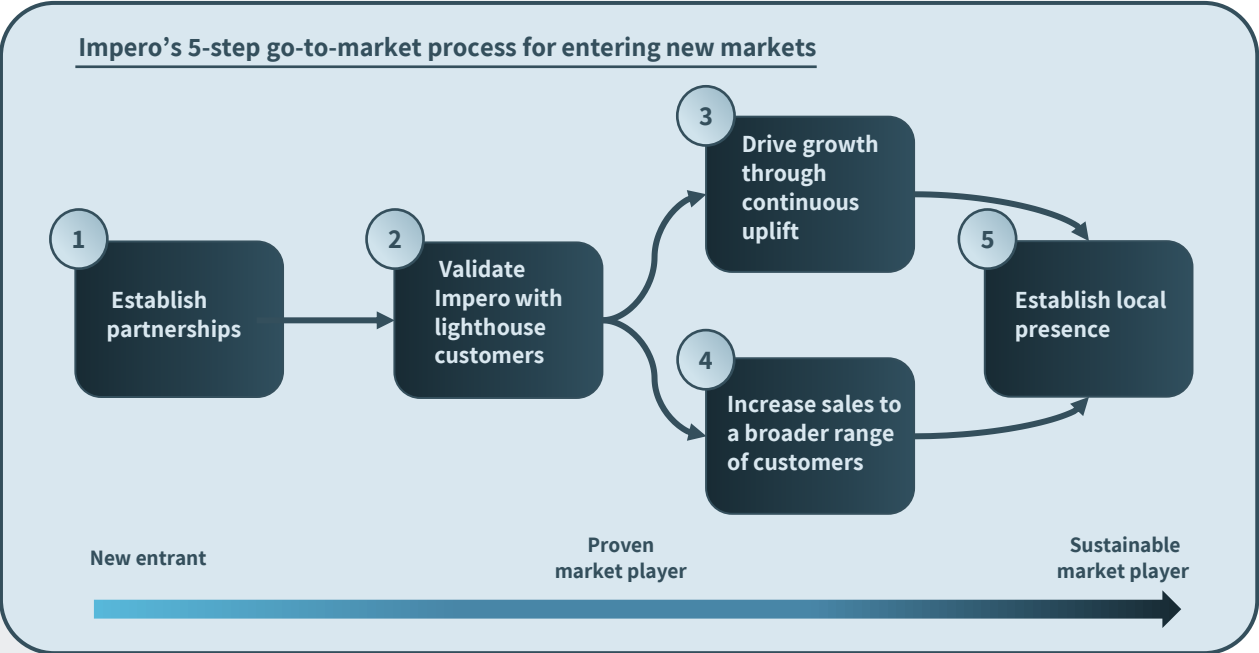
In some cases, the partner may even provide the Impero platform to some customers as a managed service. For Impero, working with a Big4 market leader provides exclusive access to top tier sales leads.

Historically, Impero has established close partnerships with KPMG in Denmark, Luxembourg, the DACH region and the United Kingdom. Furthermore, the Company works closely with PwC in Denmark and EY in Finland. Impero is continuously developing partnerships in new territories.

6.10.2 Lighthouse customers validating the Impero platform

Signing a number of prominent top tier customers is the first joint objective for Impero’s international sales team and the local partner. Well-known “lighthouse” customers who can demonstrate and validate Impero’s value proposition in the new market are essential catalysts for the onboarding of other new customers.

In the DACH region, Impero entered into a still ongoing partnership with KPMG Germany in 2018. Since 2018, Impero has benefitted from KPMG’s strong market position as a corporate tax advisor across the DACH region. The majority of Impero’s customer base in DACH originates from the value-creating partnership with KPMG. Lighthouse customers in DACH include companies such as Vorwerk Group, Trumpf, Volkswagen Group, and Siemens.



6.10.3 Driving growth through continuous uplift

Most of Impero's customers are large, international organizations with many opportunities to expand the platform's adoption across group entities, divisions, and departments all over the world.

After implementing the Impero platform for a specific compliance automation purpose, customers often find other business areas within their organizations where the platform can automate compliance processes. Consequently, even with limited sales efforts from Impero, many customer accounts have shown significant organic growth over time as a result of the uplift sale. Some customers have even uplifted within the same year as Impero was first implemented.

Thus, uplift to existing customer accounts has shown to be a very cost-effective sales channel and offers great potential for future growth with even small efforts from Impero.

6.10.4 Sales to a broader range of customers

Once established in the market with a group of solid "lighthouse" customers, Impero will open a direct sales channel to grow its customer base further. Targeting a broader range of customers in the mid-market segment, the direct sales activities are focusing on:

- **Generating sales leads through the conversion of traffic to Impero's website and landing pages.** The Company's Head of Marketing is leading the efforts to draw potential leads to Impero's online sales resources through online content, targeted ad spends, and social media campaigns.
- **Converting qualified sales leads to customers.** The Company's international sales team drives this activity until a local hub has been established.
- **Acquire more legacy platforms.** Impero's international sales team is continuously searching for other opportunities for "friendly takeovers" of the Big4 legacy compliance solutions with active customer bases.

6.10.5 Local presence

As the last step to claim a position as one of the go-to providers in a specific market and continue to grow Impero's market presence, it is necessary to set up a local sales hub. This is done to establish a local presence and strengthen the market penetration when the local customer base has reached a critical mass. Local representatives will take charge of local sales activities and customer relations, including customer support and direct sales activities.

Today, in addition to the headquarter in Denmark, Impero has set up a company hub in London, United Kingdom and is currently setting up a company hub in Germany. The Company decided to set up a UK hub before Brexit to ensure a sustainable foothold in the market. Brexit has not proved any effect on the Company's business model. However, London has experienced a significant decrease in employment due to the COVID-19 pandemic and Brexit. The recent development in London's economic growth adds to concerns about London's position as the growth driver in the United Kingdom⁴. The long-term effects of companies potentially moving away from London due to Brexit could have an adverse effect on the UK hub's attractiveness.

Additional hubs will be established in major markets based on the commercial market size and development.

"We are excited for the growth journey ahead and are confident in both our trusted partners and our sales efforts in Europe. Our new hub in Germany will be a key steppingstone for our expansion in the DACH region"

Karsten Mayland,
CCO

Go-to-market strategy has proved both efficient and highly scalable in the DACH region

Go-to-market process

Proven case in DACH

Teaming up with strong local partners



Partnership since 2018

Onboarding lighthouse customers that will validate the Impero platform to partners and new customers



VOLKSWAGEN



SIEMENS

163% growth in 2020 in no. of DACH customers

Driving growth through continuous uplift to existing customers



16% ARR uplift on new DACH customers and 16% uplift on existing DACH customer base in 2020

Increase sales to a broader range of customers, e.g., through direct sales



323% ARR-growth in DACH customer base from Dec19 to Dec20 (811K to DKK 3.4M in ARR)

Establish local presence



Currently setting up a local hub in Germany

A proven go-to-market strategy that is ready to be scaled to new markets worldwide

7. Platform overview

7.1 INTRODUCTION TO THE IMPERO PLATFORM

Impero is a compliance management platform. In essence, the Impero platform is a software platform for companies to automate and streamline their compliance and risk management processes dynamically. With the Impero platform, customers can create sustainable compliance frameworks of risk management, control management, documentation, and reporting. The platform ensures full and transparent accountability across the organization and minimizes potential errors. Moreover, the platform ensures a smooth audit process and establishes the foundation for an accurate control-based audit, to actively foster a culture of compliance and provide companies with a customizable and intuitive work environment. In short, the platform automates and manages all required steps for effective compliance and risk management – see user journey to the right.

By providing a one-stop platform, Impero manages the entire compliance management and not only single steps in a compliance workflow. The compliance and risk management steps that Impero solves can be divided into four user functionalities in the platform; risk management, control management, documentation, and reporting. With all the compliance and risk management workflows managed through the platform, Impero delivers cost reductions, scalability, agility, and proactivity in response to changing market and regulatory requirements.

Compliance management made easy with Impero



Penneo dokumentnagile: ONMAE-50WE2-CZBY0-OXTYK-VE21Q-1JA8H



7.2 PLATFORM FEATURES

7.2.1 Risk management

With Impero's Risk Management module, customers map risks and plan mitigating actions and controls across the entire organization.

Using the risk directory, customers can assess the impact and likelihood of risks with customized risk taxonomies and ensure that appropriate risk-mitigating initiatives and controls are designed and implemented efficiently within the organization.

This way Impero provides a unified risk management framework that drastically reduces the risk of errors, misconduct, and miscoordination, securing accountability on all organizational levels. At the same time, the Risk Management module fosters a proactive risk management culture throughout the organization.

7.2.2. Control management

In Impero's Control Management module, customers can easily and intuitively set up and customize any compliance controls for their respective compliance processes. Controls include task delegation, deadlines, approvals, and documentation.

In the Impero platform, a compliance control is the specific workflow required to mitigate a risk identified in the risk management module and document that risk mitigation has been carried out correctly. In the Control Management module, users can set up and schedule compliance controls and key performance indicators (KPIs) to monitor the progress of controls.

Control workflows are designed in the intuitive Control Builder. Users can create, assign, and schedule any number of controls.

Control workflows are completely customizable. The workflows typically include automated emails to employees to perform a control action, subject to a four-eyes principle as needed. All control events are logged in the platform, taking the segregation of duties into account.

Control workflows provide a simple yet highly detailed way of sharing knowledge and control history with new team members and colleagues, making Impero a highly scalable tool as it is easily rolled out to new subsidiaries, business areas, and processes.

With the Control Management module, customers can save a significant amount of time creating, assigning, and internal controls.

Control completion is easily monitored in the dashboard. Users can set up customized real-time overviews of compliance control processes that can be broken down according to any structure of organizational requirements such as entity, market, risk type, control performer, etc.

7.2.3 Documentation and audit trail

All documentation from the control and risk management modules is encrypted and kept safe in the Impero platform. Like all other platform features, access to the audit trail and documentation is managed using permission levels.

With this feature, an external auditor may be granted access to the audit trail, the compliance control results, and the associated documentation, significantly reducing the time and efforts spent on providing accurate documentation for the audit process. Additionally, the auditor's physical presence is no longer required, saving costs and reducing companies' carbon footprints.

7.2.4 Reporting

Impero's customers use the platform to document their compliance programs to build trust with internal and external stakeholders such as customers, auditors, and partners and facilitate real-time data-driven decision making.

The Impero platform offers a wide variety of customizable and automated reports providing information on the development and real-time status of compliance processes, including completion statuses for entities, controls, and assignees. Also, managers can use Impero's drill-down feature to define their detailed overview of the compliance status.

Impero offers automated generation and distribution of reports to stakeholders on a one-off or recurring basis delivered to their email inbox without the need for logging in to the platform. Impero also includes a concise key performance indicator (KPI) system, providing an overview of key numbers enabling users to proactively address compliance issues within their organization.

External stakeholders can gain 'view-access' to the Impero platform to monitor the compliance process and other information, subject to permission level.

7.3 IT security

The Impero platform adheres to strict data protection measures. The Company is continuously evaluating and strengthening security policies, ensuring enterprise-level security. Assessments are conducted annually by a leading, external provider. The assessments cover all relevant aspects of security within the Impero platform itself and the deployed environment. Any potential findings are reviewed, and mitigation plans are initiated. Following mitigation, a verification test is performed.

The Impero platform is hosted and protected by Microsoft Azure using European data centers. Furthermore, the Company continuously implements enterprise-level security best-practices, thus meeting industry-based compliance standards. Impero implements state-of-the-art algorithms for data encryption to protect both data-at-rest and data-in-transit, ensuring the safeguarding of customers' data. The Company proactively ensures the platform's security and continuously takes active steps to develop and test against security threats.

Impero receives the security report ISAE 3000 type II (International Standard on Assurance Engagements) annually. The report is issued with the highest security level within this international standard and signed by an Independent System Auditor/certified public accountant and Partner from one of the well-known and reputable Big4 accounting firms.

The Company maintains a disaster recovery program to ensure that platform services remain available or are easily recoverable in the event of a nonpreventable disaster, thus securing customers' business continuity.

For Impero, maintaining a stringent information security management system is a prerequisite for its license to operate, and the Company continuously improves its security measures.



7.4 PLATFORM DEVELOPMENT

Development of the Impero platform began in 2014. Initially conceptualized as a tool only to be used within IT departments, growth quickly developed as customers continued to expand their use of Impero in other business areas.

Over the years, Impero has streamlined product development and expanded the development team from two software developers in 2018 to currently 12 team members. Management expects to double the Company's development capacity over the coming years. Operating under a philosophy of employing premium talent disregarding location, Impero's product development team is decentralized, operating under the leadership of the Chief Technology Officer. With a particular focus on interoperability, automation, and continued improvements in user experience, the Company continues its quest to develop the market standard for compliance management software.

7.4.1 Staying "easy-to-use"

The Impero platform is conceptualized and developed as an intuitive tool with user-friendliness and intuitive navigation as primary cornerstones. Owing to the ease-of-use philosophy, the majority of Impero's users interact with the platform via an uncomplicated visual point-and-click user interface without the need for training. For many users, even logging in to the platform to complete control assignments is unnecessary.

Another strength of the system design is the customizability of the platform. Maximum user-friendliness and customizability are the Impero platform's core values and important criteria for Impero's product management. See the next section for an in-depth review of the Company's product road map.

7.4.2 Product development road map

Impero has planned a product development road map focused on three strategic aspects:

- Continuous efforts to strengthen the platform's core values, including ease-of-use, compliance management efficiency, and progress overview
- Strategic product positioning within the GRC space
- User requests for new functionalities.

PRODUCT DEVELOPMENT ROADMAP



Increasing interoperability



Risk evolution



Efficient control maintenance



Improving reporting options



Internal audit module

On a quest of becoming a market standard
for compliance management software

The product road map includes the following five primary focus areas, which are subject to change.

Increasing interoperability

Compliance efficiency through automation is a core value of the platform. Impero is planning to enhance the platform's compliance automation capabilities to interact and exchange data with external systems and further enable customers to cultivate a decision-making culture with data from key applications, such as ERP or CRM applications and business intelligence platforms.

Impero believes that increased interoperability will enhance customers' compliance efficiency, provide new compliance automation opportunities, and improve the product's stickiness with customers.

Risk evolution

Understanding how risks evolve for better corporate-level decision-making and prioritizing mitigating actions is essential for effective risk management. The Company is planning to extend the Risk Management module to enable risk analysis over time. Features include an extension of the risk event log, customized risk assessment periods, and a wizard for configuring risk directories and risk maps to organizational taxonomies.

Impero believes an understanding of risk involvement will improve risk transparency throughout organizational lines and ultimately strengthen corporate reputation.

Efficient control maintenance

Neither organizations nor control frameworks are static. Therefore, Impero intends to enhance the Control Management module by making it easy and quick to customize and change controls and control programs and introduce mass updates to controls, which will enable users to update multiple controls at once with just a few clicks.

Impero believes this addition to the platform will increase time and cost savings for customers and enhance ease of use and have the added benefit of minimizing efforts spent performing control maintenance, allowing customers to ensure an updated and sustainable control environment continuously.

Improving reporting options

Being proactive is essential for compliance efficiency and risk mitigation. Impero is planning to develop a personalized dashboard that will provide users with a better overview and a dynamic breakdown of data to gain new and powerful insights, inspiring action and higher compliance efficiency.

Impero believes that a customized and personalized dashboard, delivering relevant data and insights in a timely manner, will provide further time savings and increase efficiency in multiple areas.

Internal audit module

Operating in the GRC space, the Company intends to develop an Internal Audit module to strengthen the platform's governance functionality. This addition to the platform will increase control transparency, improve the overview and management of audit engagements, and automate internal audit reporting.

Impero believes that the Internal Audit module will be highly relevant to most customers and will support their governance effectiveness, risk management, and control processes.

“We are in close dialogue with our customers and partners around their GRC challenges. Based on these dialogues, we have created a detailed roadmap that continuously delivers value and addresses our customers’ GRC challenges.”

Allan Lykke Christensen,
CTO



ON ADOPTION AND PLATFORM

“Impero is the best cloud solution I have worked with for internal control management. Impero is a very simple and intuitive solution to work with, it is easy to introduce and implement, and controls can be defined with low or high complexity depending on organizational needs. Impero works very well in large scale international organization where internal controls are done both in a shared service center and on local sites.”

- Tine Lyders Larsen,
Senior Financial Compliance Manager, NKT

8. Expectations for the future

8.1 CAPITALIZING ON STRONG PRODUCT-MARKET FIT AND GO-TO-MARKET STRATEGY

2020 concluded a year with several key milestones on Impero’s international growth journey. The Company proved itself as a global contender reaching users in more than 100 countries worldwide and customers headquartered in 10 countries. The 5-step go-to-market strategy has proved to be highly applicable for both entering new markets and growing existing ones.

Now, Impero has entered 2021 ready to accelerate said international growth journey with a proven track-record, a scalable platform, and a capable organization geared for growth.

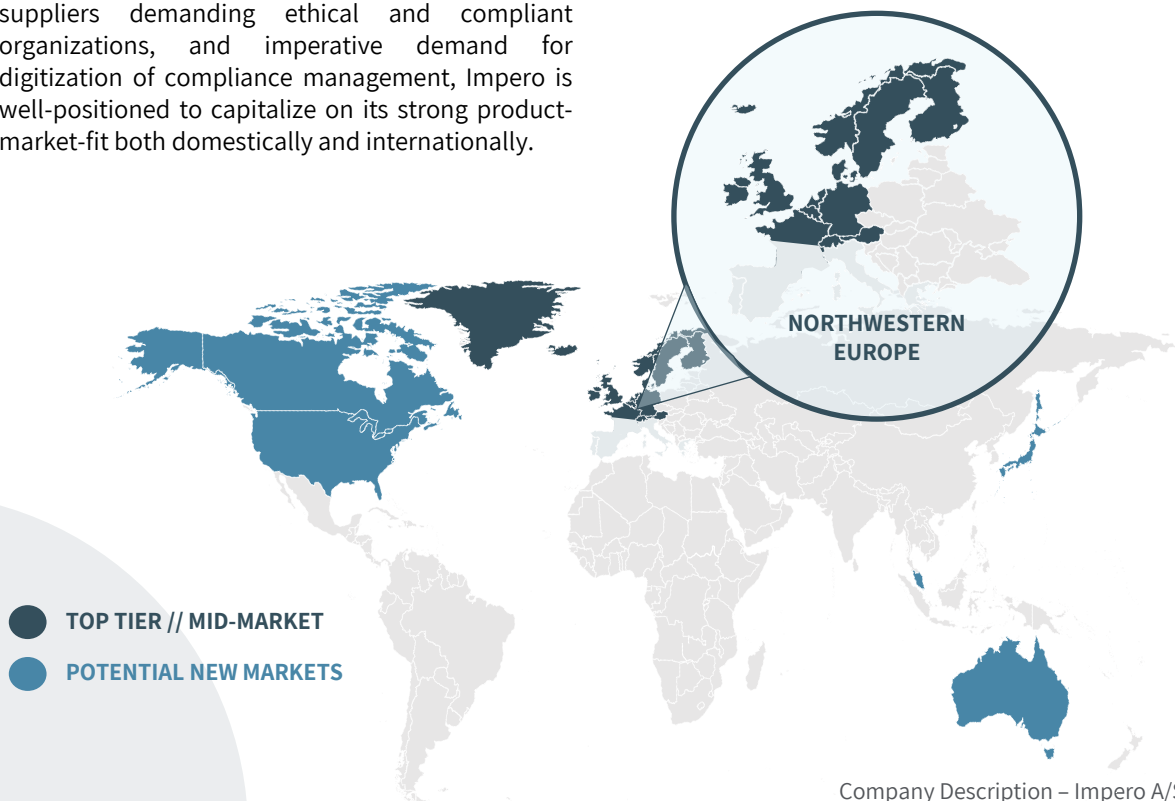
Impero’s growth journey is sustained by a market for compliance management software that is expected to continue to increase significantly. Combined with the trends of increasing compliance regulations and legislation, more customers and suppliers demanding ethical and compliant organizations, and imperative demand for digitization of compliance management, Impero is well-positioned to capitalize on its strong product-market-fit both domestically and internationally.

8.2 IMMEDIATE FOCUS ON GROWTH IN NORTHWESTERN EUROPE

The immediate strategic focus of Impero is two-fold; to grow its foothold in the DACH region and expand the partner channel with new partnerships in new markets.

The partnership with KPMG in Germany has been a strong catalyst for Impero’s high growth in the DACH region and has proven the partnership channel internationally as a strong first-point of entry. In DACH, Impero will continue to grow in close collaboration with KPMG but also exploit the now proven foothold to increase direct sales and uplift activities and reach a broader customer segment in these countries.

For expansion with new partnerships, the immediate geographical focus will be on the attractive region of Northwestern Europe.



- TOP TIER // MID-MARKET
- POTENTIAL NEW MARKETS

Northwestern European countries have higher demands for digital and efficient compliance management, typically ranking high on the CPI index. Here, Impero benefits from already having entered several of these countries with its first customer, skipping a critical first step when entering new markets. Also, Impero has proven Big4 partnerships in several countries – such as Germany and Denmark, as references for future potential partners.

The aim is to find trusted partners that, in close collaboration with the Company, can facilitate a strong growth journey and assist Impero in executing the go-to-market strategy in these respective countries.

Whereas the immediate focus is to grow in these markets, Impero’s ambition is to become a de facto market standard compliance management platform. As the platform and business model is highly scalable, the aim is to grow from the expected stronger European foothold to new markets globally. Therefore, Impero will continue to search for and be aware of potential trusted partners in other relevant markets globally.

In short, Impero is ready to help even more companies become more compliant for the benefit of both the customers and society at large.

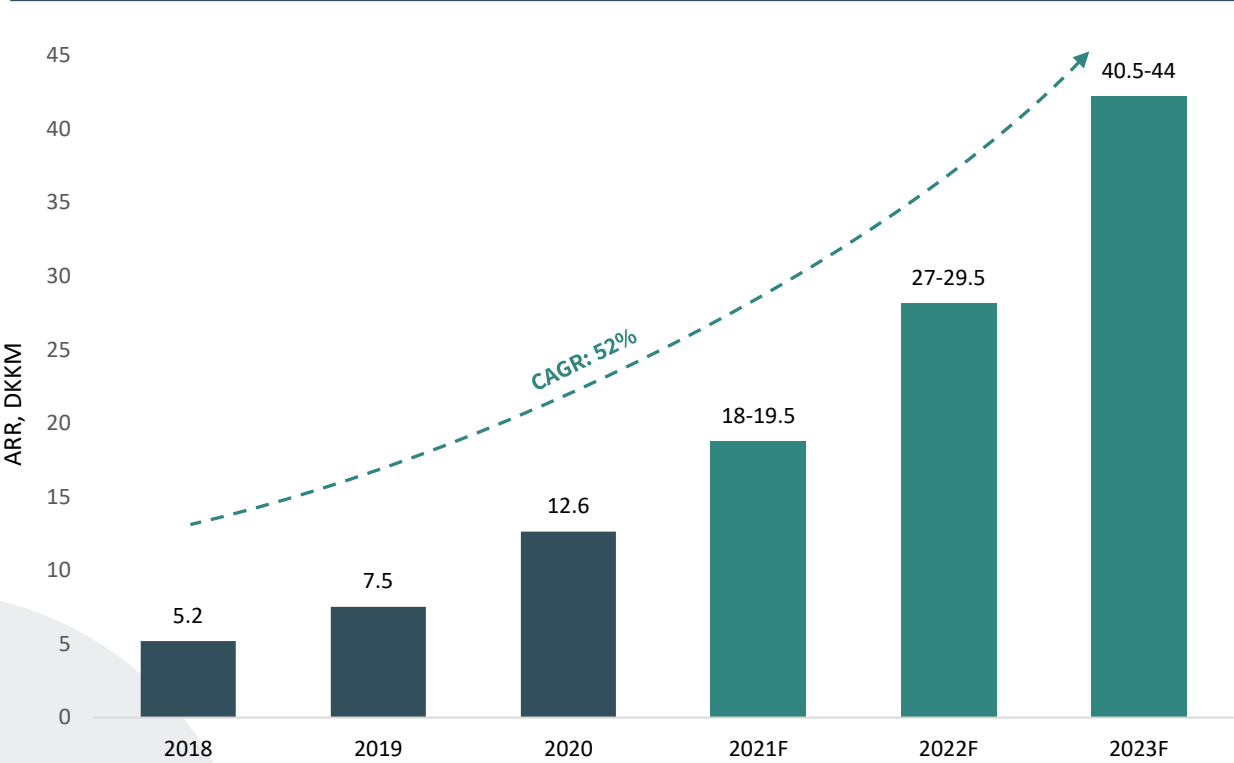
8.3 ANNUAL RECURRING REVENUE 2021-2023

As the future expectations surround an international growth journey, Impero has a clear focus on growing the annual recurring revenue (ARR). The Company expects to continue the high ARR growth rates in the coming years, based on the strategic focuses and the scalable platform and business model.

Subsequently, Impero expects to grow the ARR run rate from DKK 12.6M at year’s end, 2020, to DKK 40.5-44M at the year’s end 2023. The growth equals an annual growth rate of ~50%.

Of the three sales channels, the primary growth in ARR is expected to derive from new ARR generated by the partner and direct sales channels. Additionally, on a long-term basis, it is expected that more of the ARR growth will derive from uplift, driven by Impero’s continuous efforts in accelerating uplift activities and the increasing adoption of digital compliance management in organizations.

Development in annual recurring revenue (DKKM) – 2018-2023F



9. Corporate Governance

9.1 BOARD OF DIRECTORS

Impero’s Board of Directors currently consists of 6 members, including the Chairman. The primary objective of the Board of Directors is to supervise the work of the Management Team and the direction of the overall strategy. The Management Team is responsible for planning, leading, and controlling the day-to-day operations of the Company.

All Board members are elected for a term of 1 year at the Annual General Meeting and may be reelected. The Board of Directors elects a Chairman and can elect a Vice Chairman if deemed necessary. In the case of parity of votes, the Chairman has the casting vote. The business address for the current members of the Board of Directors is Klamsagervej 27, 2., 8230 Åbyhøj, Denmark.

Overview of Board of Directors and independency assessment before the Offering

Name	Position	Board member since	Independency assessment	Shares	Warrants
Jørgen Vilhelm Løvenørn Bardenfleth	Chairman	2020	Independent	125,000	195,000
Sten Tore Sanberg Davidsen ¹	Vice Chairman	2015	Not independent	0	325,000
Carsten Gerner	Member	2019	Independent	149,720	10,000
Martin Pronk	Member	2019	Independent	5,830	10,000
Jørn Grove ²	Member	2015	Not independent	4,717,170	0
Line Køhler Ljungdahl	Member	2021	Independent	0	0

1) Sten Tore Sanberg Davidsen is the CEO of Kolind A/S. Kolind A/S is a major shareholder in the Company
2) Jørn Grove is a major shareholder in the Company through JG Invest & Consult ApS (100% ownership)

Description of Board of Directors



Jørgen Vilhelm Løvenørn Bardenfleth, *Chairman*

Profession: Professional Board Member

Experience: Jørgen Bardenfleth is the Chairman of the Board at Impero. Jørgen is a serial investor and board member in several organizations operating in tech, MedTech, science, and consultancy.

Jørgen's long experience within the technology and IT sector include executive positions with tech enterprises Hewlett-Packard, Intel, and Microsoft Denmark. He is also an educator with Copenhagen Business School and Board Assure.

Other key positions: Jørgen is currently on the Board of, among others, Lyngsoe Systems A/S, Dubex A/S, Accelerace Management A/S, Scandion Oncology A/S, Bizbrains A/S, Minerva A/S and Symbion A/S.

Education: Jørgen holds an MBA in Marketing and Finance from the University of California, Los Angeles, and a Master's Degree in Electrical Engineering from DTU.



Sten Tore Sanberg Davidsen, *Vice Chairman*

Profession: CEO at Kolind A/S and Jacob Jensen Design A/S

Experience: Sten T. Davidsen is a member of the Board of Directors at Impero. Sten's long career within executive positions includes the positions of CFO at KMD A/S and CEO at KMD BPO A/S as well as the COO position with Oticon A/S.

Sten is a dedicated member of several boards of both small and large Danish companies. His vast experience spans management, finance, IT, legal, strategy, and change management.

Other key positions: Member of the Board at SPIIR A/S, Jacob Jensen Holding A/S, and Jacob Jensen Design A/S and Deputy Chairman in 2BM A/S.

Education: Sten holds a Master of Science in Economics as well as several executive diplomas from Wharton, University of Pennsylvania, and International Institute for Management Development in Lausanne, Switzerland.

Description of Board of Directors



Carsten Gerner, *Board member*

Profession: CEO at Carger Invest ApS

Experience: Carsten Gerner is a member of Impero's Board of Directors. Carsten is a serial board member with extensive experience within audit and risk management. He has been one of the key players within Danish Big4 as the former Territory Senior Partner and CEO of PwC; a position which he held for more than eight years.

Carsten has an active track record as a non-executive board member in several large Danish companies. His highly specialized competencies include management and leadership, and Carsten also advises on strategy and organizational development.

Other key positions: Member of the board with DSB (Danish State Railways) and Boligfonden DTU, Deputy Chairman with Ib Andresen Industri A/S.

Education: Carsten is a Certified Public Accountant and holds a Master of Science in Business Administration.



Martin Pronk, *Board member*

Profession: Co-founder and CTO of Queue-it ApS

Experience: Martin is a member of the Board of Directors at Impero. Martin has a long and thorough knowledge of the start-up ecosystem due to his ventures in this sphere. He currently serves as CTO and co-founder in a SaaS-company, a position which he has held for more than a decade.

Education: Martin holds a Master of Science in Electronic Engineering from Aalborg University, a degree in Advanced Control Engineering from The University of Hull, and an Executive MBA in Leadership from Copenhagen Business School.

Description of Board of Directors



Jørn Gregersen Grove, *Board member*

Profession: Professional investor

Experience: Jørn Grove is a member of the Board of Directors at Impero A/S. Jørn is a serial investor and has longstanding experience from a number of industries.

Other key positions: Jørn is a member of the board at K/S Juelstrupparken 15.

Education: Jørn holds a Master of Science in Business Administration and Accounting from Aarhus University.



Line Køhler Ljungdahl, *Board member*

Profession: Executive Vice President, Chief Legal Officer at Bang & Olufsen A/S

Experience: Line Ljungdahl is a member of Impero's Board of Directors. Line is currently the Chief Legal Officer of Bang & Olufsen A/S and member of the Executive Management Board with responsibility for Global Legal, IP, Commercial Brand Protection, Enterprise Risk Management, Compliance, and Insurance.

Line has an extensive career in various executive positions within legal and as an attorney with Kromann Reumert.

Other key positions: Member of the Board at Freja Ejendomme A/S and several subsidiaries of The Bang & Olufsen Group

Education: Line holds a Master of Law (Cand.jur.) from Copenhagen University and an Executive MBA from Copenhagen Business School.

Description of the Management Team



Rikke Stampe Skov, CEO

Role: Chief Executive Officer at Impero A/S since 2018

Experience: Rikke is the Chief Executive Officer of Impero A/S, a position, which she has held since June 2018. Rikke drives the Company's vision of creating trust and transparency on a global scale. Rikke has been imperative in securing Impero's strong and consistent growth, basing her initiatives on her vast experience in combination with agile innovation.

Prior to joining Impero, Rikke spent several years as a partner in PwC co-chairing the Risk Assurance Services service line, and later as a partner with Odgers Berndtson, where Rikke focused on executive search and leadership development. Before this, Rikke co-founded the IT security consulting company, Protego, which was successfully exited to PwC in 2006. Rikke's long career also includes leadership positions with Maersk, ISS, and Siemens.

Rikke's extensive experience within leadership and strategy within both small and large companies sets the course for Impero. She also serves as board advisor with several organizations and is member of the Board of Directors at Penneo A/S.

Education: Rikke holds multiple degrees within business administration, commercial law, and board management from Copenhagen Business School.



Karsten Mayland, CCO

Role: Chief Commercial Officer at Impero A/S since 2018

Experience: Karsten Mayland is the Chief Commercial Officer of Impero A/S and is also the country manager of UK Impero Ltd. He executes the Company's global growth and expansion strategies. Karsten has been a key driver in achieving Impero's high growth rates related to the attraction of new partners and customers and entering new markets.

Before Karsten joined Impero, he spent more than a decade as a director with both PwC and Deloitte. Karsten has been able to provide valuable commercial insight from the global auditing industry.

Previously, Karsten held commercial positions with both SAS Institute and Sybase. He also serves as board advisor with several organizations.

Karsten's longstanding experience within Big4 with a focus on commercial strategizing helps pave the way for Impero's global market expansion and rapid growth.

Education: Karsten holds university degrees within organization and leadership, as well as business administration from Copenhagen Business School.

Description of the Management Team



Allan Lykke Christensen, CTO

Role: Chief Technology Officer at Impero A/S since January 2021

Experience: Allan Lykke Christensen is the Chief Technology Officer of Impero A/S. Allan is instrumental in the continued development of the Impero platform and securing its DNA of intuitive and efficient risk and compliance management.

Prior to joining Impero, Allan was the CTO of Boyum IT Group and also served as Head of Delivery & Optimization with the LEGO Group for several years. Allan's experience is one of a global nature; he has led teams across global offices, developed internationally recognized SaaS solutions, and worked in large enterprises throughout the world.

Allan's vast experience spans areas of lean-agile leadership and product development and he is a software engineer at heart. Allan heads Impero's international, decentralized product development and design organization from the Company's headquarters in Aarhus.

Education: Allan holds a degree in Computer Science and E-Business from Loughborough University, United Kingdom, as well as diplomas in Informatics and Business.

Description of the Co-founders



Jacob Engedal Sørensen, Founder

Role: Business Development Director

Experience: Jacob Engedal Sørensen is one of the co-founders of Impero. Jacob envisioned the concept of a compliance platform combining digitized automation of controls with intuitive workflow from which Impero was born and is the key driver behind Impero's disruption of the tax and finance compliance management market. Jacob supports the organization with its rapid market expansion and business development.

Prior to founding Impero, Jacob was a manager within Risk Assurance Services with PwC and has also worked within Enterprise Risk Services with Deloitte; positions, which he held for more than a decade before conceptualizing the Impero platform and becoming an entrepreneur.

Education: Jacob is educated in financial auditing and IT auditing from Aarhus School of Business and Social Sciences.



Morten Balle, Founder

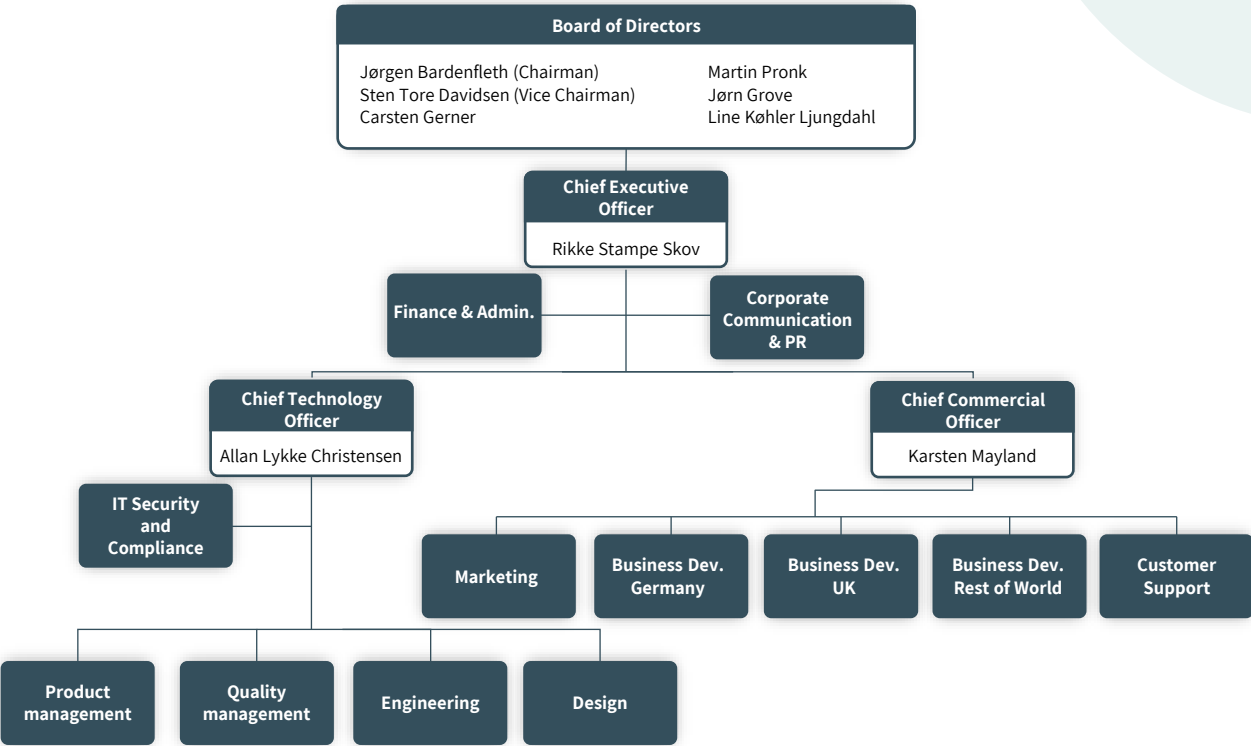
Role: Head of Product Quality

Experience: Morten Balle is one of the co-founders of Impero. Morten Balle has since the conceptualization of Impero been key in product development and innovation. Morten is the mind behind the seamless unification of simplicity and compliance and continues to play a crucial role in defining Impero's approach to securing the platform's enterprise-level security features and audits.

Prior to co-founding Impero, Morten spent 8 years within Enterprise Risk Services with Deloitte. Before this, he also held positions as an IT Business Consultant with larger, Danish organizations.

Education: Morten holds a Master of Science in Business Administration and Computer Science.

Overview of Board of Directors, Management Team and other functions at Impero



9.2 ORGANIZATION

9.2.1 Management Team

The management team comprises of Rikke Stampe Skov, CEO, Karsten Mayland, CCO and Allan Lykke Christensen, CTO. The management team is responsible for the daily operations of Impero. Additionally, in collaboration with the Head of Finance, the CEO, ensures that the Company’s bookkeeping complies with all applicable rules and regulations and that the administration of the Company’s assets is carried out in an appropriate manner.

9.2.2 Co-founders

Impero’s two founders, Morten Balle and Jacob Engedal Sørensen are both heavily involved in the development and the daily operations of the Company. Both are heavily involved in the Company’s, respectively, product management and business development.

Morten Balle is a part of Impero’s Quality management team being deeply engaged in Impero’s product organization and involved in ensuring the promise of simplifying compliance is

always at the forefront of daily activities. Morten Balle furthermore plays an important part in securing the Company’s enterprise-level data integrity and security.

Jacob Engedal Sørensen is fundamental in the Company’s commercial organization, where he is key in securing the flourishing of international partnerships with Big4 companies and spearheads Impero’s development of new markets in collaboration with the Company’s CCO. As part of the Business Development Rest of World team, Jacob Engedal Sørensen plays a significant role in securing the Company’s high growth rates and attracting new customers.

Starting as co-founders, Morten Balle and Jacob Engedal Sørensen are today assuring that the founding values and envisions are incorporated in the rapid development and expansion of Impero.

9.2.3 Other Employees

In addition to the CEO and the Management Team, Impero's organization comprises six additional mid-level managers; Kaspar Kühl (country manager of Impero GmbH), Trine Gantriis Koch-Nielsen (Head of Marketing), Jane Hjort Nielsen (Head of Finance), Emmanuel Surleau (Head of Software Architecture), Morten Christensen (Head of Customer Support), and Lise Kildsgaard (Head of Corporate Communication & PR). Aligned with Impero's organizational cultural principles, this group of employees closely collaborates in a cross-functional manner. These people have extensive knowledge of SaaS, compliance, automation, support, tech, and other key business areas that are relevant to the operations of Impero. Jane Hjort Nielsen is currently the only employee in Finance and Admin.

Therefore, this group of people displays strong insights into any potential challenges or issues the Company or the Company's customers might face.

With the Management Team and the founders, this group of people includes the most important personnel in relation to covering all aspects of the day-to-day operations of Impero.

9.3 BOARD PRACTICES AND GOVERNANCE

Impero has well-established processes for corporate governance and internal control. As part of the Company's governance structure, the Board of Directors has compiled detailed instructions for the Management Team clearly stating the distribution of responsibilities between the Management Team and the Board of Directors, the internal division of responsibilities in the Management Team, and the obligations of the Board of Directors and the Management Team respectively.

The Board of Directors holds the ultimate responsibility for Impero and the supervision of the Management Team. The articles of association state that the Board of Directors are elected by the Company's shareholders at the annual general meeting.

Board members are elected for one-year terms, as is the Chairman of the Board of Directors. The outcome of a given subject is determined based on the majority of votes.

In addition to the Annual General Meeting and quarterly Board meetings, the Board of Directors gather as the Chairman of the Board of Directors deems necessary, and when requested by a director or a member of the Board.

The Board of Directors is responsible for ensuring that Impero is managed in an appropriate manner in accordance with Danish legislation.

The Board of Directors is responsible for ensuring that bookkeeping and administration of assets are done in a satisfactory manner.

Further, the Board of Directors is responsible for ensuring that the financial position is always appropriate in relation to the operation of the Company.

9.3.1 Statement on past records

For the previous five years, none of the members of the Board of Directors and the Executive- and Management Team have been;

- convicted of fraudulent offenses,
- been involved in any official public incrimination and/or sanction, or
- been disqualified by the courts from active as a member of the administrative, managerial or supervisory body of a company.

In addition, none of the members of the Board of Directors and the Management Team have served as officer in a company that has entered bankruptcy, receivership or liquidation – except for the specific situations provided in the following:

Jørgen Vilhelm Løvenørn Bardenfleth

- I) Executive Officer, Board member, INTEL COPENHAGEN ApS (Dissolved after declaration, 06-10-2016).

Sten Tore Sanberg Davidsen

- I) Chief Executive Officer, Board member, Kolind Venture A/S (Dissolved after declaration, 18-05-2018).

Carsten Gerner

- I) Chairman of the Board, Ascendi A/S (Under liquidation).

Martin Pronk

- I) Co-founder, Board member, owner Domanica ApS (Dissolved by Split, 06-05-2020).

Jørn Gregersen Grove

Chief Executive Officer, owner, Grove 2016 ApS (Dissolved after declaration, 25-10-2016).

- I) Chief Executive Officer, owner, JG Invest & Consult (Dissolved by Split, 12-12-2017).

- I) Chief Executive Officer, owner, Grove 2017 ApS (Dissolved after declaration, 05-01-2017).
- II) Chief Executive Officer, owner, JG VP I ApS (Dissolved after declaration, 01-08-2018).
- III) Chief Executive Officer, owner, JG ÅFT 2 ApS (Dissolved after declaration, 15-01-2020).

9.3.2 Other positions for the Board of Directors

An overview of other current and previous positions (within the last five years) held by Impero's Board members has been provided in the following:

Jørgen Vilhelm Løvenørn Bardenfleth

Current management positions

- TENACITY APS (since 09-09-2013)
- LIONEAGLE APS (since 29-10-2012)

Current Board seats

- Bizbrain Holding ApS (since 18-12-2020)
- Impero A/S (since 01-12-2020)
- KONFRONT APS (since 18-08-2020)
- JUMPSTORY APS (since 18-08-2020)
- SCANDION ONCOLOGY A/S (since 01-10-2019)
- MUGATO LICENSING APS (since 21-08-2019)
- CN3 A/S (since 03-07-2019)
- CN3 HOLDING APS (since 03-07-2019)
- COBIS A/S (since 01-04-2019)
- ACCELERACE MANAGEMENT A/S (since 04-12-2017)
- BIZBRAINS A/S (since 14-12-2016)
- SWIPX HOLDING APS (since 10-02-2016)
- DUBEX A/S (since 26-06-2014)
- LYGSOE SYSTEMS A/S (since 10-03-2014)
- LYGSOE SYSTEMS HOLDING A/S (since 10-03-2014)

- MINERVA GROUP A/S (since 23-10-2013)
- COPENHAGEN CAPACITY, FONDEN TIL MARKEDSFØRING OG ERHVERVSFREMME I REGION HOVEDSTADEN (since 27-08-2009)
- SYMBION A/S (since 24-04-2009)
- SYMBION FONDEN (since 24-04-2009)
- VALLØ STIFT (since 01-04-2008)

Board seats in the past five years

- VALCON A/S (since 19-11-2018 to 28-01-2021)
- LANGUAGEWIRE HOLDING A/S (05-09-2017 to 16-03-2020)
- JATANA APS (07-06-2018 to 29-11-2019)
- SCANDION ONCOLOGY A/S (Chairman since 05-07-2018 to 30-09-2019)
- AX IV EG HOLDING III APS (since 13-12-2013 to 03-06-2019)
- EG A/S (since 13-12-2013 to 03-06-2019)
- NPC MOIRAI APS (since 07-07-2015 to 24-09-2018)
- NORDIC POWER CONVERTERS APS (22-06-2015 to 24-09-2018)
- PRODATA CONSULT A/S (02-01-2017 to 31-08-2018)
- SCANDION ONCOLOGY A/S (07-06-2017 to 04-07-2018)
- ARKITEMA K/S (Chairman 13-04-2015 to 26-04-2018)
- ACCELERACE MANAGEMENT A/S (Chairman 13-06-2014 to 03-12-2017)
- CATACAP MANAGEMENT A/S (21-02-2017 to 28-06-2017)
- SENTIA DENMARK SERVICES 2 A/S (30-07-2013 to 08-04-2017)
- ADACTIT APS (01-06-2016 to 04-12-2016)
- THE EYE TRIBE APS (16-12-2013 to 30-06-2016)
- ADACTIT APS (14-11-2013 to 31-05-2016)

Sten Tore Sanberg Davidsen

Current management positions

- TIXIBOTS APS (since 07-11-2019)
- JACOB JENSEN DESIGN A/S (since 22-10-2018)
- JACOB JENSEN HOLDING A/S (since 22-10-2018)
- KOLIND A/S (CEO since 21-05-2015)
- KOLIND INVEST A/S (CEO since 21-05-2015)

Management positions in the past five years

- KOLIND VENTURE A/S (01-01-2017 to 18-05-2018)
- 2BM A/S (15-04-2015 to 18-01-2016)

Management positions in the past five years

- KOLIND VENTURE A/S (01-01-2017 to 18-05-2018)
- 2BM A/S (15-04-2015 to 18-01-2016)

Current Board seats

- Impero A/S (Vice-chairman since 01-12-2020)
- SOFTWARE@2BM A/S (Vice-chairman since 07-05-2019)
- 2BM A/S (Vice-chairman since 23-04-2019)
- JACOB JENSEN DESIGN A/S (since 04-10-2017)
- JACOB JENSEN HOLDING A/S (since 04-10-2017)

- TIXIBOTS APS (Chairman since 10-08-2017)
- SPIIR A/S (since 18-08-2015)

Board seats in the past five years

- IMPERO A/S (Chairman 06-07-2015 to 30-11-2020)
- CYBOT A/S (since 29-12-2017 to 14-01-2021)
- LISTEN TO NEWS APS (Chairman 04-06-2018 to 27-08-2020)
- BOOKANAUT APS (Chairman 16-08-2016 to 10-02-2020)
- 2BM A/S (15-04-2015 to 22-04-2019)
- LISTEN TO NEWS APS (09-02-2016 to 03-06-2018)
- KOLIND VENTURE A/S (01-05-2015 to 18-05-2018)

- CONFERIZE A/S (09-03-2017 to 23-01-2018)
- SOFTWARE@2BM A/S (Chairman 04-04-2016 to 02-01-2018)
- KEEPFOCUS A/S (27-04-2015 to 19-12-2016)

Carsten Gerner

Current management positions

- CARGER INVEST APS (since 30-09-2011)

Current Board seats

- IAI HOLDING A/S (Vice-chairman since 22-09-2020)
- IB ANDRESEN INDUSTRI A/S (Vice-chairman since 22-09-2020)
- IMPERO A/S (since 19-03-2019)
- BOLIGFONDEN DTU (since 01-11-2014)
- DSB (since 24-04-2012)

Board seats in the past five years

- IB ANDRESEN INDUSTRI A/S (22-11-2013 to 21-09-2020)
- IAI HOLDING A/S (02-07-2013 to 21-09-2020)
- H-KOLLEGIE FONDEN (01-08-2014 to 03-09-2018)
- HEMPEL FONDEN (05-10-2012 to 06-04-2018)
- HEMPEL INVEST A/S (05-10-2012 to 06-04-2018)

Martin Pronk

Current management positions

- GREEN DOT HOLDING APS (since 06-05-2020)
- Queue-it ApS (since 01-07-2010)

Current Board seats

- DOMANICA 2020 APS (since 06-05-2020)
- IMPERO A/S (since 19-03-2019)
- Queue-it Inc (since 10-05-2017)
- FOURKANT APS (since 17-12-2009)

Board seats in the past five years

- DOMANICA APS (16-12-2009 to 06-05-2020)

Jørn Gregersen Grove

Current management positions

- JG Brazil ApS (since 12-12-2017)
- JG Invest & Consult ApS (since 12-12-2017)
- JG VP 2 ApS (since 12-12-2017)
- JG ÅFT 1 ApS (since 12-12-2017)
- Grove Ejendomsinvest ApS (03-03-2016)
- JUELSTRUPPARKEN 15 KOMPLEMENTAR ApS (since 09-12-2008)

Current Board seats

- IMPERO A/S (since 06-07-2015)
- K/S JUELSTRUPPARKEN 15 (since 09-12-2008)

Board seats in the past five years

- Grove Ejendomsinvest ApS (28-01-2011 to 03-03-2016)

Line Köhler Ljungdahl

Current management positions

- Bang & Olufsen A/S (since 15-07-2020)
- B&O Play (CEO since 17-12-2019)
- Bang & Olufsen Operations A/S (CEO since 06-03-2017)
- Bang & Olufsen Deutschland G.m.b.H¹
- Bang & Olufsen France¹
- Bang & Olufsen Retail¹

Current Board seats

- IMPERO A/S (since 22-03-2021)
- STATENS EJENDOMSSALG A/S (since 29-12-2020)
- B&O Play A/S (since 28-10-2019)
- Bang & Olufsen Operations A/S (since 06-03-2017)
- Bang & Olufsen Danmark A/S (Chairman since 01-06-2015)
- Bang & Olufsen Expansion A/S (Chairman since 01-06-2015)
- Bang & Olufsen España SA¹
- Bang & Olufsen B.V.¹
- Bang & Olufsen AG¹

- Bang & Olufsen U.K. Limited¹
- Authenticity Limited¹
- Eastbrook Finance Limited¹
- Bang & Olufsen Svenska AB¹
- Bang & Olufsen AS¹
- Bang & Olufsen Belgium NV¹
- Bang & Olufsen Italia S.r.l.¹
- Bang & Olufsen Asia Pte. Ltd.¹
- Bang & Olufsen America, Inc.¹
- Bang & Olufsen Limited (Hong Kong)¹
- Bright Future International Limited¹

9.3.3 Warrants

As of the date of the Company Description, Impero has issued warrants to members of the Board of Directors, Management Team and employees of the Company. The terms of the warrant programs are included in Appendix A-E in the Company's articles of association which can be found on the website of the Company.

If exercised, the warrants will dilute the Shareholders' ownership percentage of the Company.

In January 2021, a total of 3,351,500 warrants have been issued to members of the management and employees of Impero. Each warrant entitles the holder to subscribe for one share in the Company with a nominal value of DKK 0.1 per share. The total nominal value of the warrants equal DKK 335,150 – whereof DKK 134,400 are not vested.

The issued warrants entitle the holders to subscribe for shares at the following prices as set out below:

- 1,162,500 shares of nominally DKK 0.1 at a price equal to DKK 2.4 per share. The warrants were issued in January 2018 and May 2019 all with expiration in January 2023.
- 100,000 shares of nominally DKK 0.1 at a price equal to DKK 3.0 per share. The warrants were issued in August 2018 with expiration in December 2021.
- 745,000 shares of nominally DKK 0.1 at a price equal to DKK 3.3 per share. The warrants were issued in March, May, August, and November 2019, and January 2021 all with expiration in March 2024.

1) Appointing dates for international Board positions and management positions of Line Köhler Ljungdahl are unavailable

- 1,344,000 shares of nominally DKK 0.1 at a price equal to DKK 6.0 per share. The warrants were issued in December 2020 and January 2021, with expiration in December 2025. The 1,344,000 shares are not vested and are dependent on a number of ARR milestones to be reached.

If all warrants are vested and exercised, this will cause an increase of 18.47% of the share capital after the Offering of the Company.

Impero has issued the following warrants to members of the Board of Directors, Management Team, and the founders:

- Jørgen Vilhelm Løvenørn Bardenfleth, Chairman of the Board of Directors: 195,000 warrants entitling the holder to subscribe for 195,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share.
- Sten Tore Sanberg Davidsen, Vice Chairman of the Board of Directors: 75,000 warrants entitling the holder to subscribe for 75,000 shares of nominal DKK 0.1 at a price equal to DKK 2.4 per share and 250,000 warrants entitling the holder to subscribe for 250,000 shares of nominal DKK 0.1 at a price equal to DKK 3.3 per share.
- Carsten Gerner, Member of the Board of Directors: 10,000 warrants entitling the holder to subscribe for 10,000 shares of nominal DKK 0.1 at a price equal to DKK 3.3 per share.
- Martin Pronk, Member of the Board of Directors: 10,000 warrants entitling the holder to subscribe for 10,000 shares of nominal DKK 0.1 at a price equal to DKK 3.3 per share.
- Rikke Stampe Skov, CEO: 562,500 warrants entitling the holder to subscribe for 562,500 shares of nominal DKK 0.1 at a price equal to DKK 2.4, and 450,000 warrants entitling the holder to subscribe for 450,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share.
- Karsten Mayland, CCO: 260,000 warrants entitling the holder to subscribe for 260,000 shares of nominal DKK 0.1 at a price equal to DKK 3.3 per share, and 399,000 warrants entitling the holder to subscribe for 399,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share.

- Allan Lykke Christensen, CTO: 90,000 warrants entitling the holder to subscribe for 90,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share
- Jacob Engedal Sørensen, Founder: 225,000 warrants entitling the holder to subscribe for 225,000 shares of nominal DKK 0.1 at a price equal to DKK 2.4 per share, and 60,000 warrants entitling the holder to subscribe for 60,000 shares of nominal DKK 0.1 at a price equal to 3.3 per share and 120,000 warrants entitling the holder to subscribe for 120,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share.
- Morten Balle, Founder: 225,000 warrants entitling the holder to subscribe for 225,000 shares of nominal DKK 0.1 at a price equal to DKK 2.4 per share, and 60,000 warrants entitling the holder to subscribe for 60,000 shares of nominal DKK 0.1 at a price equal to 3.3 per share and 90,000 warrants entitling the holder to subscribe for 90,000 shares of nominal DKK 0.1 at a price equal to DKK 6.0 per share.

All members of the Board of Directors, the Management Team and the Founders holding warrants have signed lock-up agreements regarding shares subscribed based on warrants in terms equal to the terms of the lock-up obligations applying to Existing Shareholders.

9.3.4 Financial calendar

Half-yearly Report	August 31, 2021
Quarterly Report (Q3)	November 4, 2021
Annual Report	March 22, 2022
Annual General Meeting	April 21, 2022
Quarterly Report (Q1)	May 5, 2022
Half-yearly Report	August 25, 2022

10. Current share capital and ownership structure

10.1 SHARE CAPITAL INFORMATION

As of the date of this Company Description, the Company has 14,025,190 Existing Shares with each share having a value of nominally DKK 0.1 amounting to a total share capital of DKK 1,402,519. Following the completion of the Offering, the share capital will increase to DKK 1,814,890.1.

Prior to listing, five Major Shareholders jointly own 91.63% of the Existing Shares in the Company, the rest is distributed between minor shareholders consisting of members of the Board, members of the Management Team and employees.

10.1.1 Share class and voting rights

On the first day of trading, the Company will have one share class. All Shares will have equal rights. The Offer Shares are issued with a nominal value of DKK 0.1 per Share. Each Share gives the shareholder one vote at the Company's annual general meeting.

10.1.2 Authorization to issue warrants

According to section 4 in Impero's articles of association, the Board of Directors is authorized to issue warrants (share options) and to resolve on the associated capital increase. The authorizations under section 4 in Impero's articles of association is valid until 1 December 2021 and includes a total amount of up to a nominal value of DKK 345,750.

On 20 January 2021, the Board of Directors partly exercised the authorizations under section 4 in Impero's articles of association by the issuance of warrants with the right to subscribe to new shares for a total nominal value of DKK 335,150, and consequently, the authorization has been reduced from nominally DKK 345,750 to nominally DKK 10,600.

Ownership structure – Impero A/S

Shareholder	Ownership before the Offering		Ownership after the Offering	
	# of shares	Percent	# of shares	Percent
Kolind A/S ¹	4,883,860	34.82%	4,986,952	27.48%
JG Invest & Consult ApS ²	4,717,170	33.63%	4,768,716	26.28%
Morten Balle ³	1,371,700	9.78%	1,376,854	7.59%
Jacob Engedal Sørensen ⁴	1,152,670	8.22%	1,162,979	6.41%
Rikke Birgitte Skov ⁵	725,590	5.18%	766,827	4.23%
Total (Major Shareholders)	12,850,990	91.63%	13,062,328	71.97%
Others ⁶	1,174,200	8.37%	1,266,928	6.98%
Total (Existing Shareholders)	14,025,190	100.00%	14,329,256	78.95%
New shareholders	0	0.00%	3,819,645	21.05%
Total	14,025,190	100.00%	18,148,901	100.00%

1) Kolind A/S is ultimately owned by Lars Kolind.

2) JG Invest & Consult ApS is ultimately owned by Jørn Gregersen Grove, who is a member of the Board of Directors.

3) Morten Balle's shares are partially held through the company PN12 Invest ApS, which is co-owned with Jacob Engedal Sørensen

4) Jacob Engedal Sørensen's shares are partially held through the company PN12 Invest ApS, which is co-owned with Morten Balle.

5) Rikke Birgitte Skov's shares are partially held through Blue Squared ApS, Rikke Birgitte Skov is the Company's CEO.

6) Others include shareholders with less than 5% ownership, either employees, members of Management Team or members of the Board of Directors

Development in share capital since January 2019 – Impero A/S

Date	Company in which share capital changes are made	Event	Investor	Nominal value per share	Share capital (DKK)				
					Nominal change	Share price	Nominal post change	# of shares	Value of capital increase
22 January 2019	Impero A/S	Capital increase by cash contribution ¹⁾	See below	1.0	121,212	33	1,057,134	1,057,134	4,000,000
22 January 2019	Impero A/S	Capital increase by conversion of debt ²⁾	See below	1.0	60,606	33	1,117,740	1,117,740	2,000,000
16 December 2019	Impero A/S	Capital increase by conversion of debt ³⁾	See below	1.0	26,112	36	1,143,852	1,143,852	940,000
16 December 2019	Impero A/S	Capital increase by conversion of debt and cash contribution ⁴⁾	See below	1.0	95,556	25.5	1,239,408	1,239,408	2,440,000
5 March 2020	Impero A/S	Capital increase by cash contribution ⁵⁾	See below	1.0	61,111	36	1,300,519	1,300,519	2,200,000
31 August 2020	Impero A/S	Capital increase by cash contribution ⁶⁾	See below	1.0	42,000	50	1,342,519	1,342,519	2,100,000
15 December 2020	Impero A/S	Capital increase by cash contribution ⁷⁾	See below	1.0	60,000	60	1,402,519	1,402,519	3,600,000
1 March 2020	Impero A/S	Share split ⁸⁾	See below	0.1		N/A	1,402,519	14,025,190	

1) Subscription of new shares by cash contribution by AT BALLE ApS, which is owned by Morten Balle who is one of the co-founders of the Company, De Fine Engedal ApS which is owned by Jacob Engedal Sørensen who is one of the co-founders of the Company, now merged to PN12 Invest ApS, Blue squared ApS which is owned by Rikke Birgitte Skov who is the Company's CEO, Locasochka ApS which is owned by Karsten Mayland who is the Company's CCO. The capital increase was carried out to support growth, product development and business development.

2) Subscription of new shares by conversion of debt by Kolind A/S which is ultimately owned by Lars Kolind, JG Invest & Consult ApS which is ultimately owned by Jørn Gregersen Grove who is a Board member of the Company. The capital increase was carried out to support growth, product development and business development.

3) Subscription of new shares by conversion of debt by Blue squared ApS which is owned by Rikke Birgitte Skov, who is the Company's CEO, Locasochka ApS which is owned by Karsten Mayland, who is the CCO of the Company. The capital increase was carried out to support growth, product development and business development.

4) Subscription of new shares by cash contribution and conversion of debt by Kolind A/S, which is ultimately owned by Lars Kolind, JG Invest & Consult ApS which is ultimately owned by Jørn Gregersen Grove, who is a Board Member of the Company. The capital increase was carried out to support growth, product development and business development.

5) Subscription of new shares by cash contribution by Kolind A/S, which is ultimately owned by Lars Kolind, JG Invest & Consult ApS, which is ultimately owned by Jørn Gregersen Grove, who is a Board member of the Company, Blue squared ApS, which is owned by Rikke Birgitte Skov, who is the Company's CEO, Locasochka ApS, which is ultimately owned by Karsten Mayland, who is the Company's CCO, Carger Invest ApS, which is ultimately owned by Carsten Gerner. The capital increase was carried out to support growth, product development and business development.

6) Subscription of new shares by cash contribution by AT BALLE ApS, which is ultimately owned by Morten Balle, who is one of the co-founders of the Company, De Fine Engedal ApS, which is ultimately owned by Jacob Engedal Sørensen, who is one of the co-founders of the Company, now merged to PN12 Invest ApS, Kolind A/S, which is ultimately owned by Lars Kolind, JG Invest & Consult ApS, which is ultimately owned by Jørn Gregersen Grove, K Bollerup Holding ApS, which is ultimately owned by Kristian Bollerup Jensen, Blue Squared ApS, which is ultimately owned by Rikke Birgitte Skov, who is the Company's CEO, Locasochka ApS, which is ultimately owned by Karsten Mayland, who is the Company's CCO, Carger Invest ApS, which is ultimately owned by Carsten Gerner, who is a Board member of the Company. The capital increase was carried out to support growth, product development and business development.

7) Subscription of new shares by cash contribution by AT BALLE ApS, which is ultimately owned by Morten Balle, who is one of the co-founders of the Company, De Fine Engedal ApS, which is ultimately owned by Jacob Engedal Sørensen, who is one of the co-founders of the Company, now merged to PN12 Invest ApS, Kolind A/S, which is ultimately owned by Lars Kolind, JG Invest & Consult ApS, which is ultimately owned by Jørn Gregersen Grove, who is a Board member of the Company, K Bollerup Holding ApS, which is ultimately owned by Kristian Bollerup Jensen, Blue Squared ApS, which is ultimately owned by Rikke Birgitte Skov, who is the Company's CEO, Locasochka ApS, which is ultimately owned by Karsten Mayland, who is the Company's CCO, Carger Invest ApS, which is ultimately owned by Carsten Gerner, who is a Board member of the Company, Green Dot Holding ApS, which is ultimately owned by Martin Pronk who is a Board member of the Company, Jørgen Bardenfleth, Rikke Birgitte Skov, Thomas Aagaard, Morten Christensen, Jane Hjort Nielsen, Trine Gantriis Koch-Nielsen, Lise Kildsgaard, Anne Koldby Rasmussen, Mateus Costa, Olivier Pinon, Oliver Hoog, Emmanuel Surleau, Arnaud de Bosereille, Gregory Obanas. The capital increase was carried out to support growth, product development and business development, and provide incentives for employees.

8) Proportional share split of 1:10

11. Selected financial information

Impero's financial performance for the financial years 2019 and 2020 are presented below. This information is based on the Company's audited financial reports. The Company's financial reports have been audited by Deloitte.

The Company's financial reports have been prepared in accordance with the provisions of the Danish Financial Statements Act for enterprises reporting in the class B with addition of certain provisions for reporting class C.

Impero's annual reports are available on the Company's website at:

<https://impero.com/>

Income statement for Impero A/S

DKK	2020	2019
Gross profit/loss	4,243,461	2,411,087
Staff costs	(7,569,735)	(9,244,015)
Depreciation & amortization and impairment losses	(1,911,073)	(1,194,061)
Operating profit/loss	(5,237,347)	(8,026,989)
Other financial income	234	0
Other financial expenses	(67,475)	(314,911)
Profit/loss before tax	(5,304,588)	(8,341,900)
Tax on profit/loss for the year	613,877	236,814
Profit/loss for the year	(4,690,711)	(8,105,086)

Balance sheet for Impero A/S

DKK	2020	2019
<i>Assets</i>		
Completed development projects	4,879,865	3,579,047
Development projects in progress	236,097	657,638
Intangible assets	5,115,962	4,236,685
Investments in group enterprises	0	877
Deposits	68,400	126,778
Other Financial assets	68,400	127,655
Fixed assets	5,184,362	4,364,340
Trade receivables	5,322,179	1,998,345
Receivables from group enterprises	0	63,014
Deferred tax	434,964	434,964
Income tax receivables	613,877	236,814
Prepayments	47,900	68,755
Receivables	6,418,920	2,801,892
Cash	5,568,198	1,968,533
Current assets	11,987,118	4,770,425
Assets	17,171,480	9,134,765

Balance sheet for Impero A/S

DKK	2020	2019
<i>Equity and liabilities</i>		
Contributed capital	1,402,519	1,236,630
Reserve for development expenditure	3,990,450	3,304,613
Retained earnings	13,749	(2,443,818)
Equity	5,406,718	2,097,425
Other payables	676,428	232,124
Non-current liabilities other than provisions	676,428	232,124
Trade payables	429,653	273,289
Payables to associates	428,712	389,739
Other payables	4,203,227	1,647,521
Deferred income	6,026,742	4,494,667
Current liabilities other than provisions	11,088,334	6,805,216
Liabilities other than provisions	11,764,762	7,037,340
Equity and liabilities	17,171,480	9,134,765

Cash flow statement for Impero A/S - 2020

DKK	2020
Operating loss	-5,237,347
Amortization, depreciation and impairment losses	1,911,074
Working capital changes	1,488,334
Cash flows from ordinary operating activities	-1,837,939
Financial income received	234
Financial expenses paid	-67,475
Income taxes refunded	236,814
Cash flows from operating activities	-1,668,366
Acquisition etc. of intangible assets	-2,790,351
Proceeds from Other financial assets	58,378
Cash flows from investing activities	-2,731,973
Increase of capital	8,000,004
Cash flows from financing activities	8,000,004
Increase/decrease in cash and cash equivalents	3,599,665
Cash and cash equivalents beginning of year	1,968,533
Cash and cash equivalents end of year	5,568,198

12. Comments on selected financial information

The following section describes the development in the major financial items between FY19 and FY20 in order to provide an overview of the Company's financial position and general financial trend.

Please note that only selected financial items have been commented in this section. For a full overview of Impero's financial statements, please see section 11 of this Company Description. For details on capitalization and indebtedness, please see section 13.

12.1 PROFIT AND LOSS STATEMENT

12.1.1 Gross profit

Impero's Gross profit increased by 76% from FY19 to FY20, amounting to a total Gross profit for FY20 of DKK 4.2M. The increase in gross profit is due to the onboarding of new customers and uplifting subscriptions on existing customers. Geographically, growth in DACH has been a key contributor to the growth in the gross profit.

12.1.2 Staff costs

Staff costs decreased from DKK 9.2M in FY19 to DKK 7.6M in FY20, primarily driven by an increasing part of the staff costs being classified as assets due to the costs being directly related to development projects. This amount to DKK 2.8M being deducted from the staff costs. The actual staff costs have remained at a steady level at about DKK 10.3-10.4M.

12.1.3 EBITDA

Impero's EBITDA amounted to DKK -3.3M in FY20.

12.1.4 Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses comprise of amortization of intangible assets of DKK 1.1M and impairment losses of DKK 0.8M.

12.1.5 Operating profit (EBIT)

Impero's operating profit amounted to DKK -5.2M in FY20.

12.2 BALANCE SHEET - ASSETS

12.2.1 Intangible assets

Intangible assets relate to development projects regarding the Company's software. Development projects in progress include the development of new features in the companies existing software. Development projects comprise activated personnel costs, registered through the Company's internal project module.

Development projects increased by DKK 0.9M from FY19 to FY20, due to an increase in product development activities related to the software platform.

12.2.2 Trade receivables

Trade receivables increased by DKK 3.3M from FY19 to FY20, due to increased activities at the end of the year.

12.2.3 Cash

Cash increased from DKK 2M to DKK 5.6M and comprises cash in hand and bank deposits. The increase in cash is due to capital injection in December, cf. section 10.

12.3 BALANCE SHEET - LIABILITIES

12.3.1 Equity

The Company's equity increased from DKK 2.1M to DKK 5.4M primarily due to the capital injection, cf. section 10 and a loss for the year of DKK 4.7M.

12.3.2 Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income increased by DKK 1.5M. The increase is due to an increase in operations during FY20.

12.3.3 Other payables

Other payables comprise various liabilities including among other's accrued personnel costs, VAT, tax, COVID-19 stimulus package and accrued expense to partners. Other payables increased from DKK 1.6M in FY19 to DKK 4.2M in FY20. This increase was primarily due to accrued bonuses, COVID-19 stimulus packages (including deferred payments of VAT, Labour Market Contribution and payroll tax) and accrued expense to Big4 partners (please see 14.2.3).

12.4 CASH FLOW STATEMENT - 2020

12.4.1 Cash flow from operations

Cash flow from operations is DKK -1,668,366

12.4.2 Cash flow from investments

Cash flow from investments is DKK -2,731,973

12.4.3 Cash flow from financing

Cash flow from financing is DKK 8,000,004

12.4.4 Working capital changes

Working capital changes is DKK 1,487,457

13. Capitalization, indebtedness and working capital

13.1 CAPITALIZATION (AS OF 31 JANUARY 2021)

As of 31 January 2021, total shareholder's equity in Impero A/S amounted to DKK 5.0M and interest-bearing debt amounted to DKK 0.4M.

13.2 NET INDEBTEDNESS (AS OF 31 JANUARY 2021)

As of 31 January 2021, the Company's cash and cash equivalents amounted to DKK 4.5M whereas the Company's debt amounted to DKK 0.4M. This corresponds to a net debt level of DKK -4.1M.

13.3 WORKING CAPITAL STATEMENT

It is the assessment of the Board of Directors and the Management Team that Impero has sufficient funds to support working capital and continue its activities through the current operation and equity.

The Board of Directors further assesses that the cash flows from ongoing operations will provide sufficient working capital for the Company's continuing operations for at least twelve months following the first day of trading.

Shareholder's Equity and Liabilities	31 January 2021
<i>Equity</i>	<i>DKK K</i>
Contributed capital	1,403
Premium on capital increase	3,990
Result brought forward 1 January 2021	14
Result of the period	-440
Shareholder's Equity	4,967
<i>Interest-bearing debt</i>	
Debt to associated enterprises	429
Total interest-bearing debt	429
<i>Cash and cash equivalents</i>	
Cash	4,542
Net interest-bearing debt	-4,113

14. Legal considerations and supplementary information

14.1 REAL ESTATE

Impero does not own any real estate.

The Company has entered into an open-ended lease agreement regarding the Company's head office at Klamsagervej 27, 2. floor, 8230 Åbyhøj. The lease agreement may be terminated by the Company with 6 months' notice.

14.2 MATERIAL CONTRACTS

Other than the material contracts described below and such other contracts that the Company has entered into in the ordinary course of business, there are no contracts to which the Company is a party, which are material to the Company.

14.2.1 Customer agreements

Material contracts include the license agreements with the Company's five largest customers; BESTSELLER A/S, KPMG LLP (UK), HEMPEL A/S, Arla Foods AMBA, and Volkswagen AG (Germany).

In 2020, these five customers combined accounted for more than 24.10% of the Company's annual recurring revenue.

In general, pricing structure is based on the number of users that have access to the Impero platform.

The initial contract period is 12 months (initial contract period with HEMPEL A/S is 36 months), after which period the contracts are, by default, automatically renewed for 12 months unless the contracts are terminated prior to the expiry of the applicable contract period. However, the contract entered into with KPMG LLP (UK) is only renewable after the initial contract period if the parties agree to renew it.

The license agreement with Volkswagen AG is based on Volkswagen AG's general terms and is limited in time, as it expires on 31 December 2021 and may be renewed if agreed between the parties. Furthermore, the Company has developed software to fit Volkswagen AG's specific requirements.

Termination notices pursuant to the above contracts vary from immediate termination up to 3 months. Termination may depend on whether, inter alia, a material breach, a default of any payment obligation or insolvency of a party etc. has occurred, and whether any grace period applies. With respect to the contract entered into with Volkswagen AG, each party may only – in writing – terminate the contract for good cause, i.e. material grounds, e.g. failure to provide the services, despite receiving a notice with a reasonable deadline to cure the breach. With respect to the contract entered into with KPMG LLP (UK), Impero is solely entitled to disable KPMG LLP's access to the Impero services. Impero is not entitled to terminate the contract. With respect to the contract entered into with ARLA FOODS AMBA, Impero is not entitled to terminate the contract for convenience.

14.2.2 Supplier agreements

The Company has entered into one supplier agreement. The material supplier is Microsoft Ireland Operations Limited.

Microsoft Ireland Operations Limited supplies the Company with a cloud-based infrastructure on which the Impero services are built and working.

The supplier agreement is open-ended and by default renewed automatically. Upon automatic renewal, the supplier agreement is terminated and replaced by the terms and conditions applicable on the date on which the supplier agreement is automatically renewed. Impero is entitled to terminate the supplier agreement at any time during its term.

14.2.3 Partner agreements

The Company has entered into a number of cooperation agreements with KPMG (KPMG Germany, KPMG Luxembourg, KPMG Switzerland and KPMG Denmark) and PriceWaterhouseCoopers under which the cooperation partners are provided with the current version of the Company's software product. The intention with the cooperation agreements is to work closely together to combine and benefit from the technical expertise of the Company and the cooperation partners' professional know-how resulting in an expedient solution.

The object of the cooperation agreements is to establish a cooperation regarding potential opportunities for solution realizations and implementation in the market. The Company compensated PwC for the customers acquired in 2020 from their legacy platform, however, there are no other compensations given to any partners.

The initial term of the cooperation agreements is 1 year, after which period they are automatically renewed. As of the date of this Company Description, the cooperation agreements are still in full force. The Company and KPMG, respectively, are entitled to terminate the cooperation agreements with 6 weeks' notice prior to automatic renewal. With respect to the cooperation agreement entered into with PwC, the Company and PwC, respectively, are entitled to terminate the cooperation agreement immediately in the event that the other party violates the principles of the cooperation. Also, PwC is extraordinarily entitled to terminate the cooperation agreement or affected parts of the cooperation agreement in case the cooperation agreement or agreed duties conflict with PwC's professional law obligations.

14.3 TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Impero's related parties include the Company's Board of Directors, the Management Team, the senior management, affiliates to the said persons, and the Company's Major Shareholders. Related parties also include companies in which these persons and shareholders have significant influence.

No transactions between the Company and related parties exist, except as stated in the following:

14.3.1 Shareholder loans

Pursuant to a loan agreement with the Majority Shareholders, Kolind A/S and JG Invest & Consult ApS, regarding various loans issued to the Company in the period from April 2018 to 22 January 2019, the

Company owes DKK 428,712 as of 31 December 2020 with an annual interest rate of 10%. The Company expect to repay the shareholder loans immediately following the Offering and it may be paid with the proceeds from the Offering – This is expected to be from the pool of supporting items, with reference to section 1.6.

14.4 PATENTS, TRADEMARKS, AND OTHER IP

Currently, the Company does not hold any registered trademarks. In Denmark, however, this is not a requirement, as trademark protection can be obtained simply by using the trademark. Nonetheless, the Company has started the process of applying for a trademark within the relevant trademark classes and geographical areas for the name "Impero" as a word mark as well as a figure mark for its logo.

The Company does not hold any patents and has not applied or is in the process of applying for a patent, as it has been assessed that the platform does not meet the requirements hereof.

The Company does not hold or rely on any other registered intellectual property rights but instead relies on the general copyright protection, know-how, and trade secrets, as well as applicable laws and regulations related to the use of proprietary information.

14.5 GDPR

Compliance with the General Data Protection Regulation 2016/679 ("GDPR") is essential to the Company. To ensure compliance with the GDPR and the data processing carried out by the Company on behalf of its customers, guidelines and policies have been established. Appropriate safety measures have been established, including access restrictions, safe data storage and encryption of data.

The Company uses a standard data processing agreement with all customers in accordance with the rules in the GDPR.

To ensure that the Company maintains the appropriate technical and organizational measures, the IT security report ISAE 3000 type II (International Standard on Assurance Engagements) is issued with the highest security level within this international standard and signed by an Independent System Auditor/certified public accountant and Partner from one of the well-known and reputable Big4 accounting firms.

This declaration will be made available to all of the Company's customers by request.

14.6 LEGAL AND ARBITRATION PROCEEDINGS

Currently, the Company has not been and is not involved in any legal or arbitration proceedings, which can affect the Company's position significantly, including any such proceedings which are pending or threatening, of which the Company is aware.

15. Information concerning the Offer Shares

15.1 TYPE AND CLASS OF THE SHARES

The Company only has one class of Shares.

An application has been submitted for the Offer Shares together with the Existing Shares to be admitted to trading on Nasdaq First North Growth Market Denmark under the ISIN DK0061536828.

The Offer Shares will be delivered electronically against payment under the temporary ISIN DK0061536745. The temporary ISIN will not be applied for trading on Nasdaq First North Growth Market Denmark but will only be registered in VP Securities for the purpose of subscribing for New Shares. The temporary ISIN code will be replaced by the permanent ISIN code DK0061536828.

15.2 GOVERNING LAW AND JURISDICTION

The Shares are issued in accordance with Danish law. This Company Description has been prepared in compliance with the rules issued by Nasdaq First North Growth Market.

Any disputes that may arise as a result of the Offering is subject to the exclusive jurisdiction of the Danish courts.

15.3 REGISTRATION OF SHARES

The Offer Shares are dematerialized and registered in book-entry form electronically with VP Securities, Weidekampsgade 14, DK-2300 Copenhagen S, Denmark. All Shares are registered on account with account holding banks in VP Securities. Investors that are not residents of Denmark may use a Danish bank directly or their own banks Danish correspondent bank as their account holding bank.

All Shares are registered in the name of the holder in the Company's register of shareholders. The Company's register of shareholders is kept by VP Securities.

15.4 CURRENCY

The Shares are denominated in DKK (Danish Kroner).

15.5 RIGHTS ATTACHED TO THE SHARES

15.5.1 Dividend rights

Each Share entitles its holder to receive distributed dividends in proportion to their entitlement in the Company.

The Offer Shares will have the same rights and rank *pari passu* with the Existing Shares, including in respect of eligibility to receive dividends and participate in share buybacks. Upon the issuance and registration of the Offer Shares to be issued by the Company pursuant to the Offering with the Danish Business Authority, the Offer Shares will be entitled to receive dividends to the extent any dividends are declared and payable with respect to the Offer Shares.

The Company's dividends, if declared, are paid in Danish Kroner to the shareholder's account set up through VP Securities. No restrictions on dividends or special procedure apply to holders of Shares who are not residents of Denmark.

The Company's dividend policy is described in section 4.5.6. Dividends not claimed by shareholders will be forfeited in favor of the Company, normally after three years, under the general rules of Danish law on statute of limitations.

15.5.2 Voting rights

The Offer Shares are issued with a nominal value of DKK 0.1 or multiples thereof. Each Share gives the holder the right to one vote at General Meetings. No Major Shareholders have different voting rights.

15.5.3 Pre-emption rights

If the shareholders of the Company at a General Meeting resolve to increase the share capital of the Company by cash contribution, section 162 of the Danish Companies Act will apply. Under that section, shareholders have a pre-emptive right to subscribe for new shares in proportion to their existing shareholdings. However, the pre-emptive right may be derogated from by a majority comprising at least two-third of the votes cast, as well as at least two-thirds of the share capital represented at the general meeting, provided the share capital increase takes place at market price or nine-tenths of the votes cast, as well as at least nine-tenths of the share capital represented at the general meeting if the share capital increase takes place below market price, unless (i) such capital increase is directed at certain but not all shareholders (in which case all shareholders must consent); or (ii) such capital increase is directed at the Company's employees whereby a majority comprising at least two-thirds of the votes cast, as well as at least two-thirds of the share capital represented at the general meeting is required. Further, the pre-emptive rights may be derogated from by an exercise of the board of directors of a valid authorization in the articles of association of the Company.

15.5.4 Dissolution and liquidation

In the event of a dissolution and liquidation of the Company, the shareholders will be entitled to participate in the distribution of assets in proportion to their nominal shareholdings after payment of the Company's creditors.

15.5.5 Redemption and conversion provision

Except as provided for in the Danish Companies Act, no shareholders are under an obligation to have his or her Shares redeemed in part or in whole by the Company or any third party, and none of the Shares carry any redemption or conversion rights or any other special rights.

Pursuant to section 70 of the Danish Companies Act, shares the Company may be redeemed in whole or in part by a shareholder holding more than nine-tenths of the Shares and the corresponding voting rights of the Company.

Further, pursuant to section 73 of the Danish Companies Act, a minority shareholder may require that a majority shareholder holding more than nine-tenths of the Shares and the corresponding voting rights redeem the minority shareholder's Shares.

15.6 NEGOTIABILITY OF THE SHARES

The Shares are negotiable instruments and no restriction under Danish law applies to the transferability of the Shares.

The Company's articles of association do not contain any transfer restrictions.

15.7 RESOLUTIONS, AUTHORIZATIONS AND APPROVALS OF THE OFFERING

The decision to apply for the Offer Shares to be traded on Nasdaq First North Growth Market Denmark and approval of this Company Description has been made by the Board of Directors at a board meeting held on March 24, 2021. First day of trading is expected to be April 22, 2021 under the condition that shares are held by a minimum of 300 qualified shareholders and that the free float requirement of 10% for the Company's shares is met by the first day of trading, at the latest. The Shares will be traded under the ticker IMPERO and with the ISIN DK0061536828.

16. Terms and conditions of the Offering

16.1 EXPECTED TIMETABLE OF THE OFFERING

Timetable of the Offering

Date	Event
26/03-2021 9:00 (CET)	The Offer Period begins
13/04-2021 23:59 (CET)	The Offer Period ends
15/04-2021 12:00 (CET)	Result of the Offering is announced
19/04-2021	The Offering is complete, and the Offer Shares have been settled. Registration of the Shares with the Danish Business Authority and VP Securities has been finalized
22/04-2021	The Shares have first day of trading on First North Growth Market under permanent ISIN conditional on final completion
23/04-2021	Temporary ISIN and permanent ISIN are merged in VP Securities

16.2 TERMS OF THE OFFERING

The Company is offering 4,123,711 Offer Shares, corresponding to a subscription amount of DKK 40M.

16.3 SUBSCRIPTION UNDERTAKINGS

The Company has received an irrevocable subscription undertaking from 17 Pre-subscribers to subscribe for Offer Shares at the Offer Price for a total of DKK 23.93M in share value, corresponding to 59.82%-of the Offering.

Pre-subscribers

Investors	# of shares	Subscription amount (DKK)
BankInvest ¹	1,443,298	14,000,000
Fundamental Invest ²	670,102	6,500,000
Kolind A/S	103,092	1,000,000
Jørgen Bardenfleth	77,319	750,000
JG Invest & Consult ApS	51,546	500,000
Rikke Birgitte Skov	41,237	400,000
Allan Lykke Christensen	20,618	200,000
Jacob Engedal Sørensen	10,309	100,000
Locasochka ApS	10,309	100,000
Line Køhler Ljungdahl	10,000	97,000
Morten Balle	5,154	50,000
Oliver Hoog	5,100	49,470
Jesper Møller Hansen	5,100	49,470
Thomas Norsted	5,100	49,470
Serhii Potapov	5,100	49,470
Pernille Mikkelsen	2,061	19,992
Trine Jin Duvander	1,550	15,035
Total	2,466,995	23,929,907

No. of Shares has been rounded down to nearest no. of Shares based on the subscription amount made by the investor

1) BankInvest holds shares through Small Cap Danske Aktier KL, Kapitalforeningen BankInvest Select

2) Fundamental Invest holds shares through Fundamental Invest Stock Pick, Fundamental Invest Stock Pick II akkumulerende, and Fundamental Fondsmæglerselskab A/S

With the exception of BankInvest and Fundamental Invest, who are independent, the remaining Pre-subscribers are not independent from the Company either due to their position as either major shareholder, member of Board of Director, member of the Management Team or employed by Impero A/S.

16.4 OFFER PERIOD

The Offer Period begins on March 26, 2021, 9:00 CET and ends on April 13, 2021 at 23:59 CET. Early closure of the Offering will not be admitted.

16.5 SUBMISSION OF APPLICATIONS TO SUBSCRIBE

Applications to subscribe for Offer Shares in the Offering should be made by submitting the application form enclosed in this Company Description to the investor's own account holding bank during the Offer Period. Applications are binding and cannot be altered or cancelled. Applications should be made for the number of Offer Shares or for an aggregate amount rounded to the nearest Danish Kroner amount. Only one application will be accepted from each account in VP Securities. For orders to be accepted, the application form must be submitted to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Nordea Danmark, filial af Nordea Bank Abp, Finland no later than 23:59 Central European Time on April 13, 2021. Subscription applications over DKK 250,000 must include name and address of the subscriber.

Nordea Danmark filial af Nordea Bank Abp, Finland will forward the subscription application to the Certified Adviser who together with the Company will make an individual allocation of the subscribed Offer Shares after the conclusion of the Offer Period on April 13, 2021.

16.5.1 Subscription using Nordnet

Persons who are account customer at Nordnet AB may apply for the acquisition of shares through Nordnet's Online Service. Application with Nordnet can be made until April 13, 2021 at 23:59 CET. Please note that applications through Nordnet can be amended or withdrawn until the end of the Offer Period. In order not to lose the right to allotment, account customers at Nordnet are to have enough cash equivalents available at the account during the period from 23:59 CET on April 13, 2021 until the settlement day which is estimated to be April 19, 2021. More information regarding the application process is available at www.nordnet.dk.

Provided that the Offering is completed, the Offer Shares will be allocated to investors following the allocation plan described below.

Customers who have applied for the acquisition of shares through Nordnet's Online Service will receive the decision on the allotment of shares by the delivery of the allotted shares to the account designated by the customer. Payment for the allotted shares will be charged simultaneously from the account designated by the customer. This is estimated to take place April 19, 2021.

16.6 ALLOCATION PLAN, REDUCTION OF PURCHASES AND PRE-ALLOTMENT INFORMATION

16.6.1 Sale and purchase by Major Shareholders, Board of Directors, and Management Team

In the Offering, the following subscriptions have been made by Major Shareholders, Board of Directors, and Management Team:

- Major Shareholder, Lars Kolind has subscribed for 103,092 shares through Kolind A/S
- Major Shareholder and Board Member, Jørn Gregersen Grove has subscribed for 51,546 shares through JG Invest & Consult ApS
- Major Shareholder, Jacob Engedal Sørensen has subscribed for 10,309 shares
- Major Shareholder, Morten Balle has subscribed for 5,154 shares
- Chairman of the Board, Jørgen Vilhelm Løvenørn Bardenfleth has subscribed for 77,319 shares
- Member of the Board, Line Køhler Ljungdahl has subscribed for 10,000 shares
- CEO, Rikke Birgitte Skov has subscribed for 41,237 shares
- CCO, Karsten Mayland has subscribed for 10,309 shares through Locasochka ApS
- CTO, Allan Lykke Christensen has subscribed for 20,618 shares

16.6.2 Pre-allotment information

In the event that the total number of Offer Shares applied for in the Offering exceeds the number of Offer Shares, reduction will be made as follows:

- with respect to applications for amounts of up to and including DKK 250,000, reductions will be made mathematically; and
- with respect to applications for amounts of more than DKK 250,000, individual allocations may be made.

Grant Thornton will allocate the Offer Shares after agreement upon such allocations with the Board of Directors.

2,466,995 Offer Shares will be allocated to the Pre-subscriber from who the Company has received an irrevocable subscription undertaking for a total of DKK 23.93M.

Following the expiration of the Offer Period, investors will normally receive a statement indicating the number of Offer Shares allocated, if any, and the equivalent value at the Offer Price, unless otherwise agreed between the investor and the relevant account holding bank.

Applications to subscribe for shares in the Offering may not result in an allocation of shares should the Offering be oversubscribed.

If the total application in the Offering exceeds the number of Offer Shares, a reduction will be made. In such event, Grant Thornton reserves the right to require documentation to verify that each application relate to a single account in VP Securities.

Further, Grant Thornton reserves the right to require documentation to verify the authenticity of all orders, to demand the name of each subscriber, to pass on such information to the Company, and to make individual allocations if there are several orders that are determined to have originated from the same purchaser. To the extent several orders are determined to have originated from the same purchaser, only the largest order in Danish Kroner will be taken into consideration and all other orders will be rejected.

Upon completion of the Offering, the Company's share capital will be DKK 1,814,890.1 divided into 18,148,901 Shares with a nominal value of DKK 0.1 each.

16.7 MINIMUM AND/OR MAXIMUM SUBSCRIPTION AMOUNTS

The minimum subscription amount is 400 Offer Shares of nominally DKK 0.1 equivalent to a subscription order of DKK 3,880. No maximum purchase amount applies to the Offering. However, the number of shares is limited to the number of Offer Shares in the Offering.

16.8 WITHDRAWAL OF THE OFFERING

Completion of the Offering is conditional upon the Offering not being withdrawn. The Offering may be withdrawn by the Company at any time before the announcement of the result of the Offering take place.

The application for admission to trading may also be rejected if Nasdaq Copenhagen is not satisfied that there will be a sufficient number of qualified shareholders or qualified investors of the Offer Shares or if conditions for free float are not satisfied. Any withdrawal of the Offering will be announced immediately through Nasdaq First North Growth Market. The Offering may be withdrawn if there are insufficient subscribers for the Offer Shares.

16.9 INVESTORS' WITHDRAWAL RIGHTS

In the event that the Company is required to publish an amendment to this Company Description or amend the Offer Price, between the date of publication of this Company Description and the close of the Offer Period at 23:59 CET on April 13, 2021, the Company will make an announcement via Nasdaq First North Growth Market and publish and amendment to this Company Description with an updated timetable for completion of the Offering.

Investors, including pre-subscribers, who have submitted orders to subscribe Offer Shares in the Offering shall have two trading days following the publication of the relevant amendment within which the investors can withdraw their offer to subscribe for Offer Shares in the Offering in its entirety. The Offer Period will only be extended if the announcement containing significant information is published later than two trading days before the end of the Offer Period.

Should the investor not withdraw the application within two trading days after publication of the price amendment, the submitted subscription application for the specified number of Offer Shares is binding with the new offer price, given such an offer price has been specified. If the submitted subscription application instead specifies an order amount, the order is binding at the specified amount with a new number of Offer Shares adjusted for the new offer price, rounded down to the nearest number of Offer Shares.

The right to withdraw an application to subscribe Offer Shares in the Offering in these circumstances will be available to all investors in the Offering, provided the obligation to publish an amendment to this Company Description was triggered before completion of the Offering and provided no Offer Shares have been delivered.

16.10 PAYMENT AND REGISTRATION OF THE OFFER SHARES

The Shares are dematerialized and will be registered in book entry form electronically with VP Securities, Weidekampsgade 14, DK-2300 Copenhagen S, Denmark.

All Shares are registered on accounts with account holding banks in VP Securities. Investors that are not residents of Denmark may use a Danish bank directly or their own banks Danish correspondent bank as their account holding bank.

Payment for and settlement of the Offer Shares are expected to take place on (i.e. the Closing Date), against payment in immediately available funds in Danish Kroner in book-entry form to investors' accounts with VP Securities. The Offer Shares will be issued to investors following registration of the capital increase with the Danish Business Authority on the Closing Date.

The account holding bank will normally send a statement to the name and address registered in VP Securities showing the number of Offer Shares purchased or subscribed for by the investor unless otherwise agreed between the investor and the relevant account holding bank. This statement also constitutes evidence of the investor's holding.

All Shares are registered in the name of the holder in the Company's register of shareholders. The Company's register of shareholders is kept by VP Securities.

All dealings in the Offer Shares prior to settlement of the Offering will be for the account of and at the sole risk of the parties involved.

16.11 PUBLICATION OF THE RESULT OF THE OFFERING

The result of the Offering will be announced through First North Growth Market on April 15, 2021 at 12:00 CET.

16.12 PRICING

The Board of Directors has specified the Company's valuation based on a comprehensive relative valuation methodology with consideration of the current market sentiment, the Company's risk profile, the Company's future cash flow generation, and the Board of Directors' and the Management Team's expectations for future growth opportunities.

The Offer Price for the Offer Shares is fixed at DKK 9.7 per share and is determined by the above-mentioned valuation and calculated on fully-diluted basis. Fully-diluted basis means that all common shares and all issued warrants are included in the calculation - whether or not the warrants are vested or exercised. This is done to prevent any dilution on the share price caused by warrants being exercised.

16.13 UNDERWRITING AND SETTLEMENT

The Offering is not subject to any underwriting agreements. The Company has chosen Nordea Danmark, filial af Nordea Bank Abp, Finland to be the settlement agent for the Offering. The settlement agreement between Nordea Danmark, filial af Nordea Bank Abp, Finland and the Company has certain conditions for which the Company deems to be standard practice.

In the event that one or more of these conditions are not fulfilled up until the publication of the Offering, the Company may choose to withdraw from the Offering.

16.14 ADMISSION TO TRADING

The Shares are expected to be admitted to trading on Nasdaq First North Growth Market. The admission as well as the continued admission to trading on Nasdaq First North Growth Market Denmark are subject to all admission requirements set forth by First North Growth Market, for the Company's Shares are met before the first day of trading.

First North Growth Market is a multilateral trading platform operated by Nasdaq and does not have the same legal status as a regulated market. Companies trading on Nasdaq First North Growth Market are regulated by a different regulatory framework that do not have the same legal requirements for trading as the regulated market. However, on both the regulated market and Nasdaq First North Growth Market, the Market Abuse Regulation applies. Investing in a company listed on Nasdaq First North Growth Market includes more risk than investing in a public listed company on a regulated market, and investors risks losing part or all of the investment.

16.15 LOCK-UP AGREEMENTS

In connection with the Offering, all Existing Shareholders of Existing Shares before the Offering have agreed to enter into lock-up agreements, obligating the Existing Shareholders to not sell, offer for sale, enter into any agreement regarding the sale of, pledge, or in any other way directly or indirectly transfer the Existing Shares or votes in Impero without the prior written consent of Grant Thornton acting as Certified Adviser for the Company. Such consent may be granted if deemed reasonable and necessary due to specific matters, e.g., for tax reasons and is not to be unreasonably withheld or delayed by the Certified Adviser. The lock-up obligation shall apply from the first day of trading and for a period until the end of the specified periods in the table "Shareholder lock-up period" following the first day of trading.

After the expiry of the lock-up obligation, Existing Shares are released from the lock-up obligation. For major shareholders, Management Team and members of the Board of Directors, the Shares are released in five instalments of equal size. The remaining minority shareholders' Shares will all be released when the lock-up obligation expires.

The lock-up obligation does not apply to Shares acquired in connection with the Offering, including Shares acquired during the presubscription period or later. See table "Shareholder lock-up period" for an overview of shareholders under lock-up.

The warrants issued by the Company in January 2021 pursuant to Appendix E in the Company's articles of association, which can be found on the website of the Company, are subject to various vesting milestones and cannot be exercised until after the publication of the Company's half-year financial report regarding the financial year of 2021, regardless of whether they have vested before. Warrant holders under the 2021 Warrant Program has signed lock-up agreements in terms equal to the terms of the lock-up obligations applying to Existing Shareholders.

All members of the Board of Directors, the Management Team and the Founders holding warrants (see 9.3.3. for more information) have signed lock-up agreements regarding shares subscribed based on warrants in terms equal to the terms of the lock-up obligations applying to Existing Shareholders.

All major shareholders have signed a 12 months lock-up period.

Major Shareholders with lock-up agreement

Shareholder	# of shares
Kolind A/S ¹	4,883,860
JG Invest & Consult ApS ²	4,717,170
Morten Balle ³	1,371,700
Jacob Engedal Sørensen ⁴	1,152,670
Rikke Birgitte Skov ⁵	725,590

1) Kolind A/S is ultimately owned by Lars Kolind

2) JG Invest & Consult ApS is ultimately owned by Jørn Gregersen Grove, who is a Board member of the Company

3) Morten Balle's shares are partially held through the company PN12 Invest ApS, which is co-owned with Jacob Engedal Sørensen

4) Jacob Engedal Sørensen's shares are partially held through the company PN12 Invest ApS, which is co-owned with Morten Balle.

5) Rikke Birgitte Skov shares are partially held through Blue Squared ApS. Rikke Birgitte Skov is the Company's CEO.

16.16 DILUTION

The Existing Shares will be diluted by the issue of 4,123,711 Offer Shares in the Offering corresponding to a total nominal value of DKK 412,371.1. Following the completion of the Offering, the Existing Shares will make up 77.28% of the Company's total share capital.

16.17 COSTS RELATED TO THE OFFERING

The Company's costs associated with the admission to trading on Nasdaq First North Growth Market Denmark and the Offering are expected to amount to approx. DKK 4M.

Such costs primarily relate to costs for auditors, financial and legal advisors, Nasdaq Copenhagen A/S operating First North Growth Market, and design, printing and distribution of this Company Description as well as costs related to Management presentations and handling fees of 0.25% of the value of allocated Offer Shares, paid to account holding banks.

The gross proceeds from the issuance of Offer Shares is expected to amount to DKK 40M before expenses connected with the Offering. After payment of these expenses the Company will receive net proceeds of approx. DKK 36M.

17. Glossary

Abbreviation/Term	Explanation
ARR	Annual recurring revenue
Big4	The largest four accounting firms worldwide; PriceWaterhouseCoopers, KPMG, EY and Deloitte
Board of Directors	Jørgen Vilhelm Løvenørn Bardenfleth, Sten Tore Sanberg Davidsen, Carsten Gerner, Martin Pronk, Jørn Gregersen Grove, Line Køhler Ljungdahl
CAC	Customer Acquisition Cost
CAGR	An abbreviation of "compound annual growth rate"
CEO	Rikke Stampe Skov (Shareholder: Rikke Birgitte Skov)
CRM	Customer Relationship Management
Certified Adviser	Grant Thornton (see section 19)
CVR	The registration number of a Danish business
DACH	Germany, Austria and Switzerland
DAX30	The German blue-chip stock market index
DKK B	Billion Danish Kroner
DKK K	Thousands Danish Kroner
DKK M	Million Danish Kroner
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBIT	Earnings Before Interest and Tax
ERP	Enterprise Resource Planning
EUR	EURO
Fortune2000	List of the world's 2000 largest listed companies
GDPR	General Data Protection Regulation
Grant Thornton	Grant Thornton Statsautoriseret Revisionspartnerselskab, CVR no. 34209936
IPO	Initial Public Offering
ISAE	International Standard on Assurance Engagements
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
Major Shareholders	The persons and entities that, directly or indirectly, owns 5% or more of the total shareholding in the Company
Management Team	Rikke Stampe Skov, Karsten Mayland, Allan Lykke Christensen
Nasdaq Copenhagen	Nasdaq Copenhagen A/S, CVR no. 19 04 26 77. Operator of Nasdaq First North Growth Market Denmark
Company Description	This Company Description
Company Description Date	March 26, 2021
SaaS	Software-as-a-Service
SDG	UN's Sustainable Development Goals
SOC	System and Organization Control
TAM	Total Addressable Market
Impero/The Company	Impero A/S, CVR no: 32 32 66 76
VAT	Value Added Tax (in Danish: moms)
VP Securities	VP SECURITIES A/S, CVR no. 21 59 93 36

18. Subscription form

Subscription form – Impero A/S



Subscription of Offer Shares in Impero A/S, CVR no. 32326676

Offering of 4,123,711 Offer Shares of nominally DKK 0.1 each

Settlement agent:	Nordea Danmark, filial af Nordea Bank Abp, Finland Grønlandsvej 10, 2300 Copenhagen S – DK
Offer Period:	March 26, 2021, 9:00 CET to April 13, 2021, 23:59 CET
Offer Price:	9.7 per Offer Share
Settlement:	Delivery of shares in temporary ISIN against payment
Payment:	Expected to take place April 19, 2021
ISIN:	Temporary ISIN for the new shares: DK0061536745 Permanent ISIN for the Shares: DK0061536828

For the subscription to be accepted, it must be submitted to the investor’s own account holding bank in complete and executed form in due time to allow the investor’s own accounting holding bank to process and forward the subscription to ensure that it is in the possession of Nordea Danmark, filial af Nordea Bank Abp, Finland no later than 23:59 CET on April 13, 2021.

The Company Description is dated March 26, 2021. The Company Description is published on the Company’s and Nasdaq First North Growth Market Denmark’s website after Nasdaq First North Growth Market Denmark’s approval of admission to trading of the Company’s Shares. Admission as well as continued admission to trading on Nasdaq First North Growth Market Denmark is subject to all admission requirements for the Company’ shares set forth by Nasdaq First North Growth Market Denmark are met before the first day of trading.

A subscription shall as a minimum be for 400 Offer Shares equivalent to DKK 3,880.

In the event that the total number of Offer Shares applied for in the Offering exceeds the number of Offer Shares, allocation of shares will be reduced in accordance with section 16.6.2 “Pre-allotment information” in the Company Description. Submission of a subscription form during the Offer Period does not guarantee the allocation of Offer Shares in full or in part. Pre-subscribed orders will be allocated in full.

Settlement of the Offering will be effectuated providing payment in Danish kroner. Payment is expected to take place April 19, 2021. Any trading with the Offer Shares prior to the settlement is solely at the involved parties’ own expense and risk.

On the terms and conditions stated in the Company Description dated March 26, 2021, I/we hereby submit a subscription to purchase Offer Shares in the Company and simultaneously confirm to have received a copy of the Company Description and that I/we have based the investment decision solely on the contents of the Company Description. Only one subscription form for each custody account with VP Securities A/S (VP) will be accepted.

I/we accept that Nordea Danmark, filial af Nordea Bank Abp, Finland may demand information about my/our name, address, and order, and are entitled to pass on such information to the Company, its Certified Adviser and the investor’s custody bank. I/we hereby undertake to pay the equivalent of the Offer Shares allocated at the fixed Offer Price.

Subscription form – Impero A/S



The undersigned hereby applies for subscription of the following number of shares OR order amount in DKK in Impero A/S:

Number of Offer Shares (minimum 400)	OR	Order amount in DKK (minimum 3,880)
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Fill out where the allotted and paid for shares are to be delivered (fill out only one alternative):

VP custody account number	Bank
Settlement account number	Bank

Subscriber information:

Last name/Company		First Name		CPR no./CVR.no.	
Street address (or equivalent)				Telephone/mobile phone	
Postal code	City	Country		E-mail	
Place and date		Signature (authorized company signature, if applicable)			

19. Addresses

Impero A/S

Klamsagervej 27, 2.,
DK-8230 Åbyhøj
+45 7022 5364
www.impero.com

Financial and Certified Adviser Grant Thornton

Stockholmsgade 45
DK-2100 Copenhagen
+45 33 110 220
www.grantthornton.dk

Legal Adviser Danders & More

Frederiksgade 17
DK-1265 Copenhagen
+45 33 129 512
www.dandersmore.com

Auditor Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6
DK-2300 Copenhagen
+45 3610 2030
www.deloitte.dk

Settlement & Issuing Agent Nordea Danmark filial af Nordea Bank Abp, Finland

Grønjordsvej 10
DK-2300 Copenhagen
+ 45 55 47 51 79

20. Articles of association

The English articles of association is an unofficial translation of the original Danish text. In the event of disputes or misunderstandings arising from the interpretation of the translation, the Danish language shall prevail.

Thus adopted at the extraordinary general meeting of the Company on March 1, 2021

All appendices to the articles of association are available at Impero's website <https://impero.com/investors>

1.	Navn og formål	1.	Name and Object
1.1	Selskabets navn er Impero A/S.	1.1	The name of the company is Impero A/S.
1.2	Selskabets formål er udvikling og salg af webbaserede tjenester samt hermed beslægtet virksomhed.	1.2	The object of the Company is to develop and sell web-based services and any business related hereto.
2.	Selskabets kapital	2.	Share Capital
2.1	Selskabets aktier udgør nominelt DKK 1.402.519. Aktiekapitalen er ikke fordelt i aktieklasser.	2.1	The nominal share capital of the company is DKK 1,402,519. The share capital is not divided into share classes.
2.2	Aktiekapitalen er fordelt på aktier af DKK 0,10 eller multipla heraf.	2.2	The nominal share capital is divided into shares of DKK 0.10 or multiples thereof.
2.3	Aktiekapitalen er fuldt indbetalt.	2.3	The share capital has been paid up in full.
2.4	Aktierne skal lyde på navn. Kapitalandelene noteres i selskabets ejerbog. Ejerbogen føres af VP Securities A/S, CVR-nr.: 21 59 93 36.	2.4	The shares shall be registered shares. The shares shall be registered in the company's register of shareholders. The register of shareholders is kept by VP Securities A/S, CVR-no.: 21 59 93 36.
2.5	Aktierne er omsætningspapirer. Der gælder ingen indskrænkninger i aktiernes omsættelighed.	2.5	The shares are negotiable instruments.
2.6	Ingen aktier har særlige rettigheder. Ingen aktionær er forpligtet til at lade sine aktier indløse helt eller delvist af selskabet eller tredjepart.	2.6	There are no restrictions on the negotiability of the shares. No share shall have any special rights. No shareholder shall be obliged to have their shares redeemed fully or partially by the company or third party.

2.7 Aktierne udstedes i papirløs form gennem og registreres hos VP Securities A/S, CVR-nr.: 21 59 93 36. Udbytte udbetales gennem VP Securities A/S.

2.8 Rettigheder vedrørende aktierne skal anmeldes til VP Securities A/S efter de herom gældende regler.

3. Bemyndigelse til forhøjelse af kapitalen

3.1 Kapitalforhøjelse uden fortegningsret.

Aktiekapitalen kan ved bestyrelsens beslutning indtil den 1. marts 2023 ad én eller flere gange udvides ved nytegning med indtil nominelt DKK 415.000.

Forhøjelsen kan ske såvel ved kontant indbetaling eller som helt eller delvist vederlag for erhvervelse af en bestående virksomhed eller bestemte formueværdier

Tegningen skal ske uden fortegningsret for de eksisterende aktionærer. Bestyrelsen kan beslutte at kapitalforhøjelsen kun kan tegnes af én eller flere angivne investorer.

Aktierne skal udstedes til markedskurs.

De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed.

Bestyrelsen træffer selv nærmere beslutning om de øvrige vilkår for kapitalforhøjelsens gennemførelse.

2.7 The shares are issued in paperless form and registered with VP Securities A/S, CVR-no. 21 59 93 36. Dividends are paid through VP Securities A/S.

2.8 Rights regarding the shares shall be reported to VP Securities A/S in accordance with the applicable rules.

3. Authorisation to increase the share capital

3.1 Capital increase without pre-emption

rights.

Until 1 March 2023 the share capital

may, by resolution of the board of directors, be increased by one or more times with subscription for new shares up to a nominal value of DKK 415,000.

The increase may be carried out by cash contribution or as full or partial consideration for the acquisition of an existing business or certain asset values.

The subscription shall be without preemption rights for the existing shareholders. The board of directors may resolve that the capital increase can only be subscribed by one or more specified investors.

The shares must be issued at market price.

The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no restrictions on the negotiability of the new shares.

The board of directors resolves on the other terms for the capital increase implementation.

4. Bemyndigelse til udstedelse af warrants

4.1 Bestyrelsen er indtil den 31. marts 2018 bemyndiget til at udstede op til 737.500 warrants, som hver især giver ret til at tegne én aktie i selskabet á nominelt DKK 0,10 mod betaling af DKK 2,40 pr. aktie. Samtidig er bestyrelsen bemyndiget til at forhøje selskabskapitalen med indtil nominelt DKK 73.750 af en eller flere gange i forbindelse med udnyttelse af warrants. Forhøjelsen kan alene ske ved fuld kontant indbetaling eller ved konvertering af gæld. Kapitalforhøjelsen ved udnyttelse af warrants skal være uden fortegningsret for bestående aktionærer, og kapitalforhøjelsen skal ske til kurs 2.400 svarende til DKK 2,40 pr. aktie á nominelt DKK 0,10. De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed. De nye aktiers ret til udbytte og øvrige rettigheder i selskabet indtræder fra tidspunktet for kapitalforhøjelsens registrering hos Erhvervsstyrelsen. Bemyndigelsen til kapitalforhøjelsen løber 5 år regnet fra tidspunktet for udstedelsen af warrants.

4.1.1 Bestyrelsen har udnyttet bemyndigelserne indeholdt i punkt 4.1 som anført i Bilag A, som er vedlagt vedtægterne og udgør en integreret del heraf.

4.2 Bestyrelsen er ved generalforsamlingsbeslutning af den 15. februar 2018 bemyndiget til ad en eller flere gange at udstede 525.000 warrants, som hver især giver ret til at tegne én aktie i selskabet á nominelt DKK 0,10 mod betaling af DKK 2,40 pr. aktie. Denne bemyndigelse skal være gældende i perioden frem til 31. marts 2019.

4. Authorisation to issue warrants

4.1 Up until 31 March 2018, the board of directors is authorised to issue up to 737,500 warrants, each granting a right to subscribe for one share in the Company of nominally DKK 0.10 against payment of DKK 2.40 per share. At the same time, the board of directors is authorised to increase the share capital by nominally DKK 73,750 in one or more stages in connection with the exercise of warrants. The increase can only be performed by full payment in cash or by conversion of debt. The capital increase by exercise of warrant shall be without pre-emption right for existing shareholders, and the capital increase shall be performed at a price of 2,400 corresponding to DKK 2.40 per share of nominally DKK 0.10. The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no restrictions on the negotiability of the new shares. The new shares' right to dividend and other rights in the company shall come into force from the point in time when the capital increase is registered with the Danish Business Authority. The authorisation to perform the capital increase shall be effective for a period of five (5) years from the time of the issue of warrants.

4.1.1 The board of directors has exercised the authorisations in article 4.1 as stated in Appendix A, which is enclosed to these articles and constitute an integral part hereof.

4.2 By resolution passed by the general meeting on 15 February 2018, the board of directors has been authorised to issue 525,000 warrants in one or more stages, each warrant granting the right to subscribe for one share in the company of nominally DKK 0.10 against payment of DKK 2,40 per share. The authorisation shall be effective until 31 March 2019.

Samtidig er bestyrelsen bemyndiget til at forhøje selskabskapitalen med indtil nominelt DKK 52.500 ad en eller flere gange i forbindelse med udnyttelse af warrants. Forhøjelsen kan alene ske ved fuld kontant indbetaling eller ved konvertering af gæld. Kapitalforhøjelsen ved udnyttelse af warrants skal være uden fortegningsret for bestående aktionærer, og kapitalforhøjelsen skal ske til kurs 2.400 svarende til DKK 2,40 pr. aktie à nominelt DKK 0,10. De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed. De nye aktiers ret til udbytte og øvrige rettigheder i selskabet indtræder fra tidspunktet for kapitalforhøjelsens registrering hos Erhvervsstyrelsen. Bemyndigelsen til kapitalforhøjelsen løber 5 år regnet fra tidspunktet for udstedelsen af warrants.

At the same time, the board of directors has been authorised to increase the share capital by up to nominally DKK 52,500 in one or more stages in connection with exercise of warrants. The increase can only be performed by full payment in cash or by conversion of debt. The capital increase by exercise of warrant shall be without pre-emption right for existing shareholders, and the capital increase shall be performed at a price of 2,400 corresponding to DKK 2.40 per share of nominally DKK 0.10. The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no re-strictions on the negotiability of the new shares. The new shares' right to dividend and other rights in the company shall come into force from the point in time when the capital increase is registered with the Danish Business Authority. The authorisation to perform the capital increase shall be effective for a period of five (5) years from the time of the issue of warrants.

4.2.1 Bestyrelsen har udnyttet bemyndigelserne indeholdt i punkt 4.2, som anført i Bilag B, som er vedlagt vedtægterne og udgør en integreret del heraf.

4.2.1 The board of directors has exercised the authorisations in article 4.2 as stated in Appendix B, which is enclosed to these articles and constitute an integral part hereof.

4.3 Bestyrelsen er ved generalforsamlingsbeslutning af den 18. marts 2019 bemyndiget til ad en eller flere gange at udstede yderligere 745.000 warrants, som hver især giver ret til at tegne én aktie i selskabet á nominelt DKK 0,01 mod betaling af minimum DKK 2,40 pr. aktie. Denne bemyndigelse skal være gældende i perioden frem til 18. marts 2024. Samtidig er bestyrelsen bemyndiget til at forhøje selskabskapitalen med indtil nominelt DKK 74.500 ad en eller flere gange i forbindelse med udnyttelse af warrants.

4.3 By resolution passed by the general meeting on 18 March 2019, the board of directors has been authorised to issue additionally 745,000 warrants in one or more stages, each warrant granting the right to sub-scribe for one share in the company of nominally DKK 0.10 against payment of at least DKK 2.40 per share. The authorisation shall be effective until 18 March 2024. At the same time, the board of directors has been authorised to increase the share capital by up to nominally DKK 74,500 in one or more stages in connection with exercise of warrants.

Forhøjelsen kan alene ske ved fuld kontant indbetaling eller ved konvertering af gæld. Kapitalforhøjelsen ved udnyttelse af warrants skal være uden fortegningsret for bestående aktionærer, og kapitalforhøjelsen skal ske til minimumskurs 2.400 svarende til minimum DKK 2,40 pr. aktie à nominelt DKK 1,00. De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed. De nye aktiers ret til udbytte og øvrige rettigheder i selskabet indtræder fra tidspunktet for kapitalforhøjelsens registrering hos Erhvervsstyrelsen. Bemyndigelsen til kapitalforhøjelsen løber 5 år regnet fra tidspunktet for udstedelsen af warrants.

4.3.1 Bestyrelsen har udnyttet bemyndigelserne indeholdt i punkt 4.3, som anført i Bilag C, som er vedlagt vedtægterne og udgør en integreret del heraf.

4.4 Ved generalforsamlingsbeslutning af den 1. december 2020 er det besluttet at udstede op til 195.000 warrants, der hver især giver indehaveren ret til at tegne én aktie i selskabet á nominalt DKK 0,10 til selskabs-retlig kurs 6.000 svarende til DKK 6,00 pr. aktie. Warrants tildeles vederlagsfrit ved opnåelse af en række nærmere definerede resultatmål over en periode løbende frem til den 31. december 2025. Uanset om der i perioden indtil en fuldstændig udnyttelse af de tildelte warrants sker ændringer i selskabets kapitalforhold, og dette indebærer en ændring af værdien af endnu ikke udnyttede warrants, skal tegningskursen og/eller antallet af kapitalandele, som kan tegnes ved udnyttelsen af de tildelte warrants, ikke korrigeres.

The increase can only be performed by full payment in cash or by conversion of debt. The capital increase by exercise of warrant shall be without pre-emption right for existing share-holders, and the capital increase shall be performed at a minimum price of 2,400 corresponding to at least DKK 2.40 per share of nominally DKK 0.10. The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no restrictions on the negotiability of the new shares. The new shares' right to dividend and other rights in the company shall come into force from the point in time when the capital increase is registered with the Danish Business Authority. The authorisation to perform the capital increase shall be effective for a period of five (5) years from the time of the issue of warrants.

4.3.1 The board of directors has exercised the authorisations in article 4.3 as stated in Appendix C, which is enclosed to these articles and constitute an integral part hereof.

4.4 By resolution passed by the general meeting on 1 December 2020 it has been decided to issue up to 195,000 warrants, each granting the holder the right to subscribe for one share in the company of nominally DKK 0.10 at a subscription rate of 6,000 corresponding to DKK 6.00 per share. Warrants are granted without payment upon achievement of a set of more specified performance goals over a period of time until 31 December 2025. Regardless of whether any changes are made to the company's capital structure in the period of time until full exercise of the granted warrants, and this involves a change of the value of unexercised warrants, the subscription price and/or the number of shares to be subscribed for upon the exercise of warrants shall not be adjusted.

De nærmere vilkår for de udstedte warrants følger af Bilag D. Selskabets bestyrelse er samtidig hermed bemyndiget til at forhøje selskabskapitalen med indtil nominelt DKK 19.500 ad en eller flere gange i forbindelse med udnyttelse af warrants. Forhøjelsen kan alene ske ved fuld kontant indbetaling. Kapitalforhøjelsen ved udnyttelse af warrants skal være uden fortegningsret for bestående aktionærer, og kapitalforhøjelsen skal ske til selskabsretlig kurs 6.000 svarende til DKK 6,00 pr. aktie á nominelt DKK 1. De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed. De nye aktiers ret til udbytte og øvrige rettigheder i selskabet indtræder fra tidspunktet for kapitalforhøjelsens registrering hos Erhvervsstyrelsen. Bemyndigelsen til kapitalforhøjelsen løber frem til den 31. december 2025.

4.5 Bestyrelsen er ved generalforsamlingsbeslutning af den 1. december 2020 bemyndiget til ad en eller flere gange at udstede op til 1.255.000 warrants til selskabets ledelse og medarbejdere, der hver især giver indehaveren ret til at tegne én aktie i selskabet á nominelt DKK 0,10 til selskabsretlig kurs 6.000 svarende til DKK 6,00 pr. aktie. Denne bemyndigelse skal være gældende i perioden frem til 1. december 2021. Samtidig er bestyrelsen bemyndiget til at forhøje selskabskapitalen med indtil nominelt DKK 125.500 ad en eller flere gange i forbindelse med udnyttelse af warrants. Forhøjelsen kan alene ske ved fuld kontant indbetaling.

The more detailed terms of issue of warrants follow from Appendix D. At the same time, the company's board of directors has been authorised to increase the share capital by up to nominally DKK 19,500 in one or more stages in connection with exercise of warrants. The increase can only be performed by cash payment. The capital increase by exercise of war-rants shall be without pre-emption right for existing shareholders and the capital increase shall be made at a subscription rate of 6,000 corresponding to DKK 6.00 per share of nominally DKK 1. The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no restrictions on the negotiability of the new shares. The new shares' right to dividend and other rights in the company shall come into force from the point in time when the capital increase is registered with the Danish Business Authority. The authorisation to perform the capital increase shall be effective until 31 December 2025.

4.5 By resolution passed by the general meeting on 1 December 2020, the board of directors has been authorised to issue up to 1,255,000 warrants in one or more stages to the company's management and employees, each giving the holder the right to subscribe for one share in the company of nominally DKK 0,10 at a subscription rate of 6,000 corresponding to DKK 6.00 per share. The authorisation shall be effective until 1 December 2021. At the same time, the board of directors is authorised to increase the share capital by up to nominally DKK 125,500 in one or more stages in connection with the exercise of warrants. The increase can only be performed by full payment in cash.

Kapitalforhøjelsen ved udnyttelse af warrants skal være uden fortegningsret for bestående aktionærer, og kapitalforhøjelsen skal ske til minimum selskabsretlig kurs 6.000 svarende til minimum DKK 6,00 pr. aktie à nominelt DKK 0,10. De nye aktier skal være omsætningspapirer og skal have samme rettigheder som selskabets eksisterende aktier. De nye aktier skal noteres på navn. Der gælder ingen indskrænkninger i de nye aktiers omsættelighed. De nye aktiers ret til udbytte og øvrige rettigheder i selskabet indtræder fra tidspunktet for kapitalforhøjelsens registrering hos Erhvervsstyrelsen. Bemyndigelsen til kapitalforhøjelsen løber frem til den 31. december 2025.

- 4.5.1 Bestyrelsen har udnyttet bemyndigelserne indeholdt i punkt 4.5, som anført i Bilag E, som er vedlagt vedtægterne og udgør en integreret del heraf.

5. Generalforsamlinger

- 5.1 Generalforsamlingen har den højeste myndighed i alle selskabets anliggender.
- 5.2 Generalforsamlingen afholdes på selskabets hjemsted eller i Aarhus Kommune.
- 5.3 Ordinær generalforsamling afholdes hvert år i så god tid, at den reviderede og godkendte årsrapport og regnskab kan indsendes til Erhvervsstyrelsen inden udløbet af fristen i års-regnskabsloven. Ekstraordinære generalforsamlinger skal afholdes, når bestyrelsen eller en generalforsamlingsvalgt revisor eller en aktionær, der ejer minimum 5 % af aktiekapitalen, skriftligt forlanger det. Ekstraordinær generalforsamling til behandling af et bestemt emne indkaldes senest 2 uger efter, at det er forlangt.

The capital increase by exercise of warrant shall be without pre-emption right for existing shareholders, and the capital increase shall be performed at a subscription rate of minimum 6,000 corresponding to at least DKK 6.00 per share of DKK 0,10. The new shares shall be negotiable instruments and have the same rights as the company's existing shares. The new shares shall be registered shares. There are no restrictions on the negotiability of the new shares. The new shares' right to dividend and other rights in the company shall come into force from the point in time when the capital increase is registered with the Danish Business Authority. The authorisation to perform the capital increase shall be effective until 31 December 2025.

- 4.5.1 The board of directors has exercised the authorisations in article 4.5 as stated in Appendix E, which is enclosed to these articles and constitute an integral part hereof.

5. General Meetings

- 5.1 The general meeting is the highest authority regarding all the affairs of the company.
- 5.2 General meetings are held at the company's registered office or in the municipality of Aarhus.
- 5.3 The annual general meeting shall be held in time for the audited and approved annual report to be submitted to and received by the Danish Business Authority within the filing deadline pursuant to the Danish Financial Statements Act. Extraordinary general meetings must be held when required in writing by the board of directors or an auditor elected by the general meeting or a shareholder holding a minimum of 5% of the share capital. Extraordinary general meeting to address a specific topic shall be convened no later than 2 weeks after a request has been made.

5.4	Selskabets generalforsamlinger indkaldes af bestyrelsen med mindst 2 ugers og højst 4 ugers varsel via selskabets hjemmeside samt ved e-mail til alle i ejerbogen noterede aktionærer, som har fremsat begæring herom.	5.4	The company's general meetings are convened by the board of directors with at least 2 weeks and a maximum of 4 weeks' notice via the company's website and by e-mail to all shareholders listed in the register of shareholders, who have requested notice by e-mail.
5.5	Senest 2 uger før generalforsamlingen skal dagsordenen og de fuldstændige forslag, samt for den ordinære generalforsamlings vedkommende tillige årsrapporten gøres tilgængelige for aktionærerne på selskabets hjemmeside.	5.5	No later than 2 weeks before the general meeting, the agenda and complete proposals, and for the annual general meeting, the annual report as well, must be made available to the shareholders on the company's website.
5.6	Generalforsamlingen ledes af en dirigent, der udpeges af bestyrelsen. Dirigenten træffer beslutning vedrørende alle spørgsmål om behandlingsmåden og stemmeafgivelsen på generalforsamlingen.	5.6	The general meeting shall be chaired by a chairman elected by the board of directors. The chairman makes decision on all questions regarding the process and voting at the general meeting.
5.7	Enhver aktionær har ret til at få et bestemt emne behandlet på den ordinære generalforsamling. Begæring herom skal fremsættes skriftligt senest 6 uger før generalforsamlingens afholdelse	5.7	All shareholders are entitled to nominate specific issues for process at the annual general meeting. Request must be made in writing no later than 6 weeks prior to the annual general meeting.
5.8	Dagsordenen for den ordinære generalforsamling skal omfatte: <ol style="list-style-type: none"> 1. Bestyrelsens beretning om selskabets virksomhed i det forløbne regnskabsår 2. Fremlæggelse af årsrapport med revisionspåtegning til godkendelse 3. Beslutning om anvendelse af overskud eller dækning af underskud i henhold til den godkendte årsrapport 4. Valg af bestyrelse 5. Valg af revisor 6. Eventuelle forslag fra bestyrelsen og/eller aktionærerne 7. Eventuelt 	5.8	The agenda for the annual general meeting shall include the following items: <ol style="list-style-type: none"> 1. The board of directors' report on the company's activities during the past financial year 2. Presentation of annual report with the auditor's report for approval 3. Resolution on distribution of profit or covering of loss in accordance with the approved annual report 4. Election of board of directors 5. Election of auditor 6. Any proposals from the board of directors and/or shareholders 7. Any other business

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| <p>5.9 En aktionærs ret til at deltage i en generalforsamling og til at afgive stemme fastsættes i forhold til de aktier, aktionæren besidder på registreringsdatoen. Registreringsdatoen ligger en uge før generalforsamlingen. En aktionærs aktiebesiddelse og stemmerettighed opgøres på registreringsdatoen på baggrund af notering af aktionærens ejerforhold i ejerbogen samt eventuelle meddelelser om ejerforhold, som selskabet har modtaget med henblik på indførsel i ejerbogen.</p> <p>5.10 En aktionær, der er berettiget til at deltage i generalforsamlingen i henhold til ovenstående punkt, og som ønsker at deltage i generalforsamlingen, skal senest tre dage før generalforsamlingens afholdelse anmode om adgangskort</p> <p>5.11 En aktionær kan møde personligt eller ved fuldmagt.</p> <p>5.12 Stemmeret kan udøves i henhold til skriftlig og dateret fuldmagt i overensstemmelse med den til enhver tid gældende lovgivning herom.</p> <p>5.13 En aktionær, der er berettiget til at deltage i en generalforsamling, kan stemme skriftligt ved brevstemme i overensstemmelse med selskabslovens regler herom. Brevstemmer skal være i hænde senest kl. 10, to hverdage før generalforsamlingen. Brevstemmer kan ikke tilbagekaldes.</p> <p>5.14 På generalforsamlingen giver hvert aktiebeløb på DKK 0,10 én stemme.</p> <p>5.15 Beslutninger på generalforsamlingen afgøres ved simpelt stemmeflertal, medmindre andet følger af lovgivningen eller disse vedtægter.</p> <p>5.16 Beslutning om ændring af vedtægterne kan kun træffes med tiltrædelse af mindst 2/3 af såvel de afgivne stemmer som af den på generalforsamlingen repræsenterede aktiekapital, medmindre der i medfør af lovgivningen stilles strengere eller lempeligere vedtagelseskrav eller tillægges bestyrelsen eller andre organer specifik kompetence.</p> | <p>5.9 A shareholder's right to attend a general meeting and to vote shall be determined by the shares held by the shareholder at the record date. The record date is one week before the general meeting. A shareholder's shareholding and voting rights are determined on the record date based on the shareholder's ownership in the register of shareholders as well as any notice of ownership received by the company for inclusion in the register of shareholders.</p> <p>5.10 A shareholder who is entitled to attend the general meeting in accordance with the section above and who wishes to attend the general meeting shall request an admission card no later than three days before the general meeting.</p> <p>5.11 A shareholder can attend in person or by proxy.</p> <p>5.12 Voting right can be exercised in accordance with written and dated power of attorney in accordance with applicable law.</p> <p>5.13 A shareholder entitled to attend a general meeting are able to vote in writing by postal vote in accordance with the rules of the Danish Companies Act. Postal votes must be received no later than 10 am. Two business days before the general meeting. Postal votes cannot be revoked.</p> <p>5.14 At the general meeting, each share of DKK 0.10 carries one vote.</p> <p>5.15 Resolutions on the general meeting shall be decided by simple majority of votes, unless otherwise provided by law or these articles of association.</p> <p>5.16 Resolution to amend the articles of association can only be made with the accession of at least 2/3 of the votes cast as well as at least 2/3 of the share capital represented at the general meeting, unless stricter or more relaxed resolution requirements are imposed by law or specific competence are conferred on the board of directors or other bodies.</p> |
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5.17 Bestyrelsen kan beslutte, at der som supplement til fysisk fremmøde på generalforsamlingen gives adgang til, at kapitalejerne kan deltage elektronisk i generalforsamlingen, herunder stemme elektronisk, uden at være fysisk til stede på generalforsamlingen (delvis elektronisk generalforsamling). Endvidere kan bestyrelsen beslutte, at generalforsamlingen afholdes elektronisk uden adgang til fysisk fremmøde (fuldstændig elektronisk generalforsamling). Bestyrelsen fastsætter de nærmere retningslinjer herfor.

6. Selskabets ledelse

6.1 Selskabet ledes af en af generalforsamlingen for et år ad gangen valgt bestyrelse bestående af 5-8 bestyrelsesmedlemmer.

6.2 Bestyrelsen ansætter en direktion bestående af 1-4 medlemmer.

6.3 Bestyrelsen træffer beslutninger i henhold til bestyrelsens forretningsorden. I tilfælde af stemmelighed er formandens stemme afgørende.

7. Elektronisk kommunikation

7.1 Kommunikation mellem selskabet og dets aktionærer kan foregå elektronisk i stedet for fremsendelse eller fremlæggelse af papirbaserede dokumenter. Elektronisk kommunikation skal foregå på e-mail til aktionærernes e-mailadresser som angivet i selskabets ejerbog. Dette gælder al kommunikation mellem selskabet og dets aktionærer på nær sådanne meddelelser, som ved lov skal ske ved offentlig indkaldelse eller ved bekendtgørelse i Statstidende eller via Erhvervsstyrelsens it-system.

5.17 The board of directors may decide that in addition to physical attendance at the general meeting, share-holders may be given the right to attend electronically in the general meeting, including voting electronically, without being physically pre-sent at the general meeting. In addition, the board of directors may decide that the general meeting shall be held electronically without access to physical attendance. The board of directors shall lay down the detailed guidelines for this.

6. Management of the Company

6.1 The company is managed by a board of directors composed of 5 - 8 board members, elected by the general meeting for one year at a time.

6.2 The board of directors appoints a management board of 1 - 4 members.

6.3 The board of directors makes decisions in accordance with the rules of procedures of the board of directors. In case of equality of votes, the chairman holds the casting vote.

7. Electronic Communication

7.1 The company and its shareholders may communicate electronically in-stead of sending or submitting documents in hard copy. Electronic communication shall be via e-mail and by using the shareholders' e-mail addresses registered in the company's register of shareholders. This applies in relation to all communication between the company and the shareholders, except in case of such types of notifications which must be made publicly, or by notice in the Danish Official Gazette or through the IT-system of the Danish Business Authority.

8. Tegningsret

- 8.1 Selskabet tegnes af bestyrelsens formand samt en direktør eller af en direktør samt 2 bestyrelsesmedlemmer i forening.

9. Regnskab og revision

- 9.1 Selskabets regnskabsår er 1. januar til 31. december.
- 9.2 Selskabets regnskaber revideres af én statsautoriseret revisor, der vælges af den ordinære generalforsamling. Revisor vælges for et år ad gangen.

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I tilfælde af uoverensstemmelse mellem den danske og den engelske version af vedtægterne, har den danske forrang.

Således vedtaget på selskabets ekstraordinære generalforsamling den 1. marts 2021.

8. Powers to Sign for the Company

- 8.1 The company is bound by the joint signatures of the chairman of the board and a manager or by the joint signatures of two members of the board of directors.

9. Accounting and Auditing

- 9.1 The company's financial year is from 1 January to 31 December.
- 9.2 The annual reports of the company shall be audited by a state authorized accountant, who is elected by the annual general meeting. The auditor is elected for one year at a time.

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In case of discrepancies between the Danish and the English version of the articles, the Danish version shall prevail.

Thus adopted at the company's extraordinary general meeting on 1 March 2021.

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Jørn Gregersen Grove

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