

## **Semantix Translations Denmark A/S**

Lyngbyvej 16, 3., 2100 København Ø

**CVR no. 26 68 39 63**

**Annual report for the period  
1 January to 31 December 2021**

Adopted at the annual general meeting on 30 June  
2022

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Britta Aagaard  
chairman



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## Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Semantix Translations Denmark A/S for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 30 June 2022

### Executive board

Britta Aagaard

### Supervisory board

Phillip Reid Shawe  
chairman

Shirley Ann Shawe

Roy Benjamin Trujillo

## Independent auditor's report

### *To the shareholder of Semantix Translations Denmark A/S*

#### **Opinion**

We have audited the financial statements of Semantix Translations Denmark A/S for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Independent auditor's report

### Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 30 June 2022

### **Baker Tilly Denmark**

Godkendt Revisionspartnerselskab  
CVR no. 35 25 76 91

Ramazan Turan  
statsautoriseret revisor  
MNE no. mne32779

## Company details

The company	Semantix Translations Denmark A/S Lyngbyvej 16, 3. 2100 København Ø CVR no.: 26 68 39 63 Reporting period: 1 January - 31 December 2021 Incorporated: 30 May 2002 Domicile: Copenhagen
Supervisory board	Phillip Reid Shawe, chairman Shirley Ann Shawe Roy Benjamin Trujillo
Executive board	Britta Aagaard
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

## **Management's review**

### **Business review**

The Company's activities consist of development and integration of communication solutions, advice regarding localization and internationalization of texts and software, translation into more than 40 languages, text consolidation, optimization and rationalization of work processes, terminology management, graphic production and interpretation.

### **Financial review**

The company's income statement for the year ended 31 December 2021 shows a profit of TDKK 5.765, and the balance sheet at 31 December 2021 shows equity of TDKK 13.851.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## Income statement 1 January - 31 December

	Note	2021 TDKK	2020 TDKK
<b>Gross profit</b>		<b>8.306</b>	<b>7.832</b>
Staff costs	1	-547	-1.350
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-43	-54
<b>Profit/loss before net financials</b>		<b>7.716</b>	<b>6.428</b>
Financial income	2	1	116
Financial costs	3	-147	-103
<b>Profit/loss before tax</b>		<b>7.570</b>	<b>6.441</b>
Tax on profit/loss for the year	4	-1.805	-1.404
<b>Profit/loss for the year</b>		<b>5.765</b>	<b>5.037</b>
<b>Recommended appropriation of profit/loss</b>			
Retained earnings		5.765	5.037
		<b>5.765</b>	<b>5.037</b>

## Balance sheet 31 December

	Note	2021 TDKK	2020 TDKK
<b>Assets</b>			
Other fixtures and fittings, tools and equipment		33	76
<b>Tangible assets</b>	5	<b>33</b>	<b>76</b>
<b>Total non-current assets</b>		<b>33</b>	<b>76</b>
Trade receivables		1.663	2.379
Contract work in progress		103	134
Receivables from subsidiaries		15.400	9.117
Prepayments		0	13
Deferred tax asset		13	11
Corporation tax		520	0
<b>Receivables</b>		<b>17.699</b>	<b>11.654</b>
<b>Total current assets</b>		<b>17.699</b>	<b>11.654</b>
<b>Total assets</b>		<b>17.732</b>	<b>11.730</b>

## Balance sheet 31 December

	Note	2021	2020
		TDKK	TDKK
<b>Equity and liabilities</b>			
Share capital		1.501	1.501
Share premium account		0	3.049
Retained earnings		12.350	3.536
<b>Equity</b>		<b>13.851</b>	<b>8.086</b>
Trade payables		343	923
Payables to subsidiaries		468	93
Corporation tax		1.668	760
Other payables		1.032	1.868
Deferred income		370	0
<b>Total current liabilities</b>		<b>3.881</b>	<b>3.644</b>
<b>Total liabilities</b>		<b>3.881</b>	<b>3.644</b>
<b>Total equity and liabilities</b>		<b>17.732</b>	<b>11.730</b>
Contingent liabilities	6		

## Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	1.501	3.049	3.536	8.086
Net profit/loss for the year	0	-3.049	5.765	2.716
Transfer from share premium account	0	0	3.049	3.049
<b>Equity at 31 December</b>	<b>1.501</b>	<b>0</b>	<b>12.350</b>	<b>13.851</b>

## Notes

	2021 TDKK	2020 TDKK
<b>1 Staff costs</b>		
Wages and salaries	465	1.171
Pensions	49	170
Other social security costs	32	7
Other staff costs	1	2
	<u>547</u>	<u>1.350</u>
Average number of employees	<u>1</u>	<u>3</u>
<b>2 Financial income</b>		
Interest received from subsidiaries	0	56
Other financial income	1	60
	<u>1</u>	<u>116</u>
<b>3 Financial costs</b>		
Interest paid to subsidiaries	0	2
Other financial costs	126	11
Exchange loss	21	90
	<u>147</u>	<u>103</u>

## Notes

	2021	2020
	TDKK	TDKK
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	1.668	1.046
Deferred tax for the year	-3	358
Adjustment of tax concerning previous years	140	0
	<b>1.805</b>	<b>1.404</b>

**5 Tangible assets**

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 January	382
Cost at 31 December	382
Impairment losses and depreciation at 1 January	306
Depreciation for the year	43
Impairment losses and depreciation at 31 December	349
<b>Carrying amount at 31 December</b>	<b>33</b>

**6 Contingent liabilities**

The group companies in Denmark are jointly and severally liable for tax on the jointly taxed incomes etc of the Danish group companies. Moreover, the danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## Notes

### 7 Related parties and ownership structure Consolidated financial statements

The company is recognized by full consolidation in the group: TransPerfect Translation AB (Sweden)

## Accounting policies

The annual report of Semantix Translations Denmark A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in TDKK

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.



## Accounting policies

### Income statement

#### Revenue

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Expenses for raw materials and consumables

Comprises of external expenses held to achieve the revenue.

#### Other operating income and expenses

Other operating income and other operating expenses comprises items of a secondary nature relative to the company's activities.

#### Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

## Accounting policies

### Depreciation and impairment losses

Depreciation and impairment losses comprise the year's depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Balance sheet

### Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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## Accounting policies

### Impairment of fixed assets

The carrying amount of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

### Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

## Accounting policies

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.