



**Genia ApS**

CVR 31177383

Nordmarksvej 5

2680 Solrød

Annual Report 2020

**Chamber of Commerce**

Approved at the Annual General meeting  
on 1. February 2021

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Chairman: Kristian Hansen



## Content

Statement by the Board of Executives	1
Independent Auditor's report	2
Managements review	4
<u>Financial Statement</u>	
Accounting Policies	5
Income Statement	8
Balance sheet	9
Notes	10



## **Statement by the Board of Executives**

Today, the Board of Executives has discussed and approved the Annual Report of Genia ApS for the financial year January 1st - December 31st 2020.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company and of the results of the Company's operations for the financial year.

Further, in my opinion, the Managements review gives a fair review of the matters discussed in the Managements review.

I recommend the annual report to be approved at the annual general meeting.

Solrød, the 1. February 2021

Board of Executives

Kristian Hansen

## Independent Auditor's report

To the shareholders of Genia ApS

### Opinion

We have audited the financial statements of Genia ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 31 December 2020 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

### 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 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 as to 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 the financial statements.

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 the 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

- Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements represent the underlying transactions and the 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.

#### **Statement on the Management's review**

Management is responsible for the Management's review

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Skodsborg, the 1. February 2021

## **REVINORD**

Kettebakken 11

2942 Skodsborg

Cvr 16347299

René Georg Sørensen

State Authorized Public Accountant

mne 17730

## **Managements review**

### **Business review**

The purpose of the Company is selling and providing consultancy services as well as purchase and sale of IT products.

### **Financial review**

In 2020 we continued the good results specially in turnover and bottom line, we managed to increase the number of customers and also competent employees.

Due to the amazing 2019 results, Genia has been awarded two prizes during the year. Besides the Gazelle 2020 Genia also received the Success Virksomhed 2020.

For the coming year, some of the major and most important expectations will be:

- Continue to focus on a high level of customer security. As the security threats are changing continuously, we believe that advisory and optimization of data security is a necessity across customers and platforms regardless of
- Providing our customers with the best possible hybrid solutions where public and private cloud solutions are used in the optimal way.

For the coming year the Management expects a profitable outcome.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end

## Financial Statement

### Accounting Policies

The annual report has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C. The accounting policies used in the preparation of the financial statements are consistent with those of last year. The financial statements are presented in Danish kroner (DKK).

#### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event of which future economic benefits will arise and the value can be measured reliably.

Liabilities are recognised in the balance sheet when the entity has a legal obligation as a result of a prior event.

On initial recognition assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each item in the financial statement. Anticipated risks and losses arising prior to the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the date of the balance sheet are considered on recognition and measurement.

Income is recognised in the income statement when realised, whereas costs are recognised by the amounts attributable to this financial year.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method). Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Gross margin

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue' and 'Other external expenses' are consolidated into one item designated 'Gross margin'.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating 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 pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Depreciation

The item comprises depreciation of Improvement on leasehold premises and Other fixtures and fittings, tools and equipment. Where individual components of an item have different useful lives, they are accounted for as separate items, which are depreciated separately.

- Improvement on leasehold premises 3-10 years. (Scrapvalue: 0%)
- Other fixtures and fittings, tools and equipment 3-10 years. (Scrapvalue: 0%)

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

**Financial expenses**

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advancepayment-of-tax scheme, etc.

**Corporate tax**

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

**Balance sheet****Improvement on leasehold premises**

Improvement on leasehold premises are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

**Other fixtures and fittings, tools and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

**Impairment test**

On an annual basis the net booked value of fixed assets is evaluated for indications of any impairment loss beyond what is expressed through the annual depreciations. Any indications of impairment loss will manifest it self in an additional depreciation for the specific asset.

**Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis. Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis.

The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

**Other Securities and investments**

Other Securities and investments are initially measured at cost. At the balance sheet day Other securities and investments are measured at the officially listed price.

**Cash at hand and in Bank**

Cash at hand and in Bank are positions of cash or cash equivalent at the day of the balance sheet.

**Income taxes**

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement



**Liabilities**

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.



## Income statement

	Note	2020	2019
<b>Gross margin</b>		14.227.867	11.322.476
Staff cost	1	-4.491.753	-5.547.900
Depreciations and Impairments		-381.766	-1.272.374
<b>Profit of the operations</b>		9.354.348	4.502.202
Financial income		112.822	96.044
Financial expenses		-29.240	-12.869
<b>Profit before corporate tax</b>		9.437.930	4.585.377
Corporate tax		-2.020.678	-1.133.088
<b>Profit for the year</b>		<b>7.417.252</b>	<b>3.452.289</b>
<u>Recommended appropriation of the profit</u>			
Retained earnings		7.417.252	3.452.289
Dividend for the year		0	0
		<b>7.417.252</b>	<b>3.452.289</b>



## Balance sheet as of December 31st

	Note	2020	2019
<b>ASSETS</b>			
Improvement on leasehold premisses		211.569	0
Other fixtures and fittings, tools and equipment		281.015	735.339
Tangible assets		<u>492.584</u>	<u>735.339</u>
<b>Fixed assets</b>		<b><u>492.584</u></b>	<b><u>735.339</u></b>
Trade receivables		3.507.949	2.634.250
Receivables from group entitites		8.825.808	2.378.494
Receivables		<u>12.333.757</u>	<u>5.012.744</u>
Other Securities and investments		1.713.375	1.073.156
Cash at hand and in Bank		<u>2.412.805</u>	<u>1.616.482</u>
<b>Current assets</b>		<b><u>16.459.937</u></b>	<b><u>7.702.382</u></b>
<b>TOTAL ASSETS</b>		<b><u><u>16.952.521</u></u></b>	<b><u><u>8.437.721</u></u></b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		125.000	125.000
Retained Earnings		12.830.849	5.413.597
Dividend for the year		0	0
<b>Total Equity</b>		<b><u>12.955.849</u></b>	<b><u>5.538.597</u></b>
Prepayments from Customers		669.748	460.940
Trade payables		353.987	365.411
Other payables		<u>2.972.937</u>	<u>2.072.773</u>
<b>Total liabilities other than provisions</b>		<b><u>3.996.672</u></b>	<b><u>2.899.124</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u><u>16.952.521</u></u></b>	<b><u><u>8.437.721</u></u></b>

Contractual obligaitons and contingencies etc.

2

## Noter

<b>1. Staff cost</b>	2020	2019
Wages and salaries	3.868.645	4.653.008
Pensions	222.300	349.800
Other staff expenses, social costs etc.	400.808	545.092
	4.491.753	5.547.900
Number of employees	8	9
Received cost compensation due to COVID19 amounts to DKK 278.134		

## **2. Contractual obligations and contingencies etc.**

The company is jointly taxed with other Danish group companies. As a group company, the company is held unlimited and jointly and severally with other group companies for the payment of Danish corporation taxes, withholding taxes on royalties and dividends within the co-taxation circle. The total known net liability of the jointly taxed undertakings in respect of TAX is evidenced by the respective co-taxed companies. Any subsequent corrections could result in the company's liability constituting a higher amount than what is shown in this annual report.

House rent and other contractual obligations for the coming 12 months amounts to tDKK 1.428