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# *Human Capital Invest ApS*

Blytsvej 14, DK-2000 Frederiksberg

## Annual Report for 1 January - 31 December 2019

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CVR No 31 60 05 02

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
19/5 2020

Torben Coster  
Chairman of the General  
Meeting



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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Human Capital Invest ApS for the financial year 1 January - 31 December 2019.

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 at 31 December 2019 of the Company and of the results of the Company operations for 2019.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Frederiksberg, 13 May 2020

### **Executive Board**

Kent Oksfeldt Jonasen  
Executive Officer

# Independent Auditor's Report

To the Shareholders of Human Capital Invest ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Human Capital Invest ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

# Independent Auditor's Report

## 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 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.

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.

## Independent Auditor's Report

- 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.

Hillerød, 13 May 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Michael Blom

statsautoriseret revisor

mne32797

## Company Information

### **The Company**

Human Capital Invest ApS  
Blytsvej 14  
DK-2000 Frederiksberg

CVR No: 31 60 05 02  
Financial period: 1 January - 31 December  
Municipality of reg. office: Frederiksberg

### **Executive Board**

Kent Oksfeldt Jonasen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Milnersvej 43  
DK-3400 Hillerød

### **Bankers**

Danske Bank  
Munkeengen 30  
3400 Hillerød

## **Management's Review**

Financial Statements of Human Capital Invest ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### **Key activities**

The purpose of the company is holding of shares in one or more operating companies, that have an operational activity.

### **Development in the year**

The income statement of the Company for 2019 shows a profit of DKK 5,431,191, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 10,926,894.

### **Capital resources**

COVID-19 has impacted the Company in respect of income from subsidiaries and profit compared to expectations. Management expects a profit for 2020 despite COVID-19. At this time, it is not possible to make a reliable statement of the impact. Management assesses that the financial resources available are adequate for the coming year.

### **Subsequent events**

Due to COVID-19 the subsidiaries has experienced cancellation of planned courses and consequently adjusted resources and costs accordingly. Earnings for 2020 are expected to be reduced significantly compared to 2019.

No further events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Other external expenses		-37.994	-35.510
<b>Gross profit/loss</b>		<b>-37.994</b>	<b>-35.510</b>
Income from investments in subsidiaries		4.563.978	5.700.970
Financial income	2	929.330	956.281
Financial expenses	3	-15.917	-93.272
<b>Profit/loss before tax</b>		<b>5.439.397</b>	<b>6.528.469</b>
Tax on profit/loss for the year	4	-8.206	-28.523
<b>Net profit/loss for the year</b>		<b>5.431.191</b>	<b>6.499.946</b>

## Distribution of profit

### Proposed distribution of profit

Extraordinary dividend paid	1.500.000	0
Proposed dividend for the year	1.000.000	4.000.000
Reserve for net revaluation under the equity method	1.503.978	325.970
Retained earnings	1.427.213	2.173.976
	<b>5.431.191</b>	<b>6.499.946</b>

# Balance Sheet 31 December

## Assets

	Note	2019 DKK	2018 DKK
Investments in subsidiaries	5	5.809.581	5.659.877
Other investments		170.101	170.101
<b>Fixed asset investments</b>		<b>5.979.682</b>	<b>5.829.978</b>
<b>Fixed assets</b>		<b>5.979.682</b>	<b>5.829.978</b>
Receivables from group enterprises		3.175.104	1.000.000
Corporation tax		713.794	0
<b>Receivables</b>		<b>3.888.898</b>	<b>1.000.000</b>
<b>Bonds and shares</b>		<b>602.222</b>	<b>532.222</b>
<b>Cash at bank and in hand</b>		<b>531.486</b>	<b>3.647.945</b>
<b>Currents assets</b>		<b>5.022.606</b>	<b>5.180.167</b>
<b>Assets</b>		<b>11.002.288</b>	<b>11.010.145</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		125.000	125.000
Reserve for net revaluation under the equity method		2.449.581	919.877
Retained earnings		7.352.313	5.925.101
Proposed dividend for the year		1.000.000	4.000.000
<b>Equity</b>		<b>10.926.894</b>	<b>10.969.978</b>
Trade payables		22.139	15.625
Payables to owners and Management		18.118	18.118
Corporation tax		0	6.424
Other payables		7.650	0
Deferred income		27.487	0
<b>Short-term debt</b>		<b>75.394</b>	<b>40.167</b>
<b>Debt</b>		<b>75.394</b>	<b>40.167</b>
<b>Liabilities and equity</b>		<b>11.002.288</b>	<b>11.010.145</b>
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## Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	125.000	919.877	5.925.100	4.000.000	10.969.977
Ordinary dividend paid	0	0	0	-4.000.000	-4.000.000
Exchange adjustments	0	25.726	0	0	25.726
Extraordinary dividend paid	0	0	-1.500.000	0	-1.500.000
Net profit/loss for the year	0	1.503.978	2.927.213	1.000.000	5.431.191
<b>Equity at 31 December</b>	<b>125.000</b>	<b>2.449.581</b>	<b>7.352.313</b>	<b>1.000.000</b>	<b>10.926.894</b>

# Notes to the Financial Statements

## 1 Subsequent events

Due to COVID-19 the subsidiary Leadership Pipeline Institute has experienced cancellation of planned courses and consequently adjusted resources and costs accordingly. Earnings for 2020 are expected to be reduced significantly compared to 2019. Management assesses that the financial resources available are adequate for the coming year.

No further events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

	<u>2019</u> DKK	<u>2018</u> DKK
<b>2 Financial income</b>		
Income from fixed asset investments	0	128.080
Other financial income	862.042	828.201
Exchange adjustments	67.288	0
	<u><b>929.330</b></u>	<u><b>956.281</b></u>
<b>3 Financial expenses</b>		
Other financial expenses	13.866	0
Exchange adjustments, expenses	0	93.272
Exchange loss	2.051	0
	<u><b>15.917</b></u>	<u><b>93.272</b></u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	8.206	6.424
Adjustment of tax concerning previous years	0	22.099
	<u><b>8.206</b></u>	<u><b>28.523</b></u>

## Notes to the Financial Statements

	2019 DKK	2018 DKK
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	300.000	325.000
Disposals for the year	0	-25.000
Cost at 31 December	<u>300.000</u>	<u>300.000</u>
Value adjustments at 1 January	5.359.877	4.716.188
Exchange adjustment	25.726	-352.281
Net profit/loss for the year	4.563.978	4.475.970
Dividend to the Parent Company	-4.440.000	-3.480.000
Value adjustments at 31 December	<u>5.509.581</u>	<u>5.359.877</u>
<b>Carrying amount at 31 December</b>	<b><u>5.809.581</u></b>	<b><u>5.659.877</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Leadership Pipeline Institute A/S	Danmark	500.000	60%	9.682.635	7.606.630

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

Human Capital Invest ApS has no contingent liabilities as of 31 December 2019.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. 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 to the Financial Statements

## 7 Accounting Policies

The Annual Report of Human Capital Invest ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.



# Notes to the Financial Statements

## 7 Accounting Policies (continued)

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### **Fixed asset investments**

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

### **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.

### **Current asset investments**

Current asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

### **Equity**

#### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.