# Elearningforce International ApS

Mariane Thomsens Gade 4B, 5., 8000 Aarhus C

CVR no. 32 13 97 28

## Annual report 2022

Approved at the Company's annual general meeting on 24 May 2023

Chair of the meeting:

Frederik B. Hasling (May 27, 2023 10:14 GMT+2)
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Frederik Hasling

## Contents

## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Elearningforce International ApS for the financial year 1 January - 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2022 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Aarhus, 24 May 2023
Executive Board:

Rasmus Holst (May 26, 2023 11:32 GMT+2)

Rasmus Holst

Board of Directors:

| | | |
|---|---|---|
| Lars Damsgaard Andersen<br>Lars Damsgaard Andersen (May 26, 2023 16:37 GMT+2) | Chris Ostler (May 26, 2023 07:32 EDT) | Mir Arif (May 26, 2023 09:39 ADT) |
| Lars Damsgaard Andersen<br>Chairman | Christopher Charles Ostler | Mir Arif |
| Erik Stannow<br>Erik Stannow (May 26, 2023 14:49 GMT+2) | Eric Guardiola (May 26, 2023 09:01 EDT) | Alexander Augustesen (May 26, 2023 13:23 GMT+2) |
| Erik Stannow | Eric Alexander Guardiola | Alexander Swartz Augustesen |

Detlef S. Schultz
Detlef S. Schultz (May 27, 2023 07:54 GMT+2)

Detlef Siegfried Schultz

# Independent auditor's report

To the shareholders of Elearningforce International ApS

## Opinion

We have audited the consolidated financial statements and the parent company financial statements of Elearningforce International ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "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.

*Independence*

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

## Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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:

## Independent auditor's report

- 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 24 May 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

| | |
|---|---|
| peter U. Faurschou<br>peter U. Faurschou (May 28, 2023 08:58 GMT+2) | Henry Vesterholm<br>Henry Vesterholm (May 27, 2023 21:50 GMT+2) |
| Peter U. Faurschou<br>State Authorised Public Accountant<br>mne34502 | Henry Vesterholm<br>State Authorised Public Accountant<br>mne10157 |

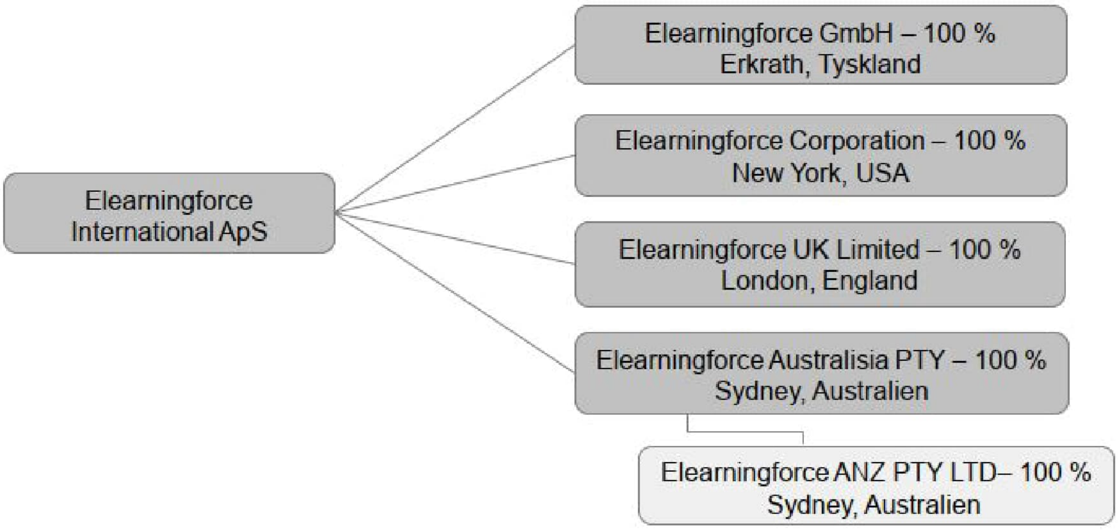
# Management's review

## Company details

| | |
|---|---|
| Name | Elearningforce International ApS |
| Address, Postal code, City | Mariane Thomsens Gade 4B, 5., 8000 Aarhus C |
| CVR no. | 32 13 97 28 |
| Established | 23 April 2009 |
| Registered office | Aarhus |
| Financial year | 1 January - 31 December |
| Website | www.elearningforce.com |
| Telephone | +45 70 27 91 91 |
| Board of Directors | Lars Damsgaard Andersen, Chairman<br>Christopher Charles Ostler<br>Mir Arif<br>Erik Stannow<br>Eric Alexander Guardiola<br>Alexander Swartz Augustesen<br>Detlef Siegfried Schultz |
| Executive Board | Rasmus Holst |
| Auditors | EY Godkendt Revisionspartnerselskab<br>Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark |

# Management's review

## Group chart



# Management's review

## Financial highlights for the Group

| DKK'000 | 2022 | 2021 |
|---|---|---|
| **Key figures** | | |
| Gross profit | 53,792 | 45,283 |
| Operating profit/loss | -25,852 | -4,853 |
| Net financials | -316 | -625 |
| Profit/loss for the year | -28,241 | -4,450 |
| | | |
| Total assets | 91,445 | 71,201 |
| Investments in property, plant and equipment | 232 | 61 |
| Equity | -21,696 | -3,460 |
| | | |
| Cash flows from operating activities | 8,436 | 8,162 |
| Total cash flows | -3,534 | -4,502 |
| | | |
| Average number of full-time employees including external consultants | 140 | 80 |
| | | |
| **Financial ratios** | | |
| Return on assets | -31.8% | -6.8% |
| Current ratio | 44.6% | 59.6% |
| Equity ratio | -23.7% | -4.9% |
| | | |
| Average number of full-time employees | 78 | 50 |

The financial ratios stated under "Financial highlights" have been calculated as follows:

| | |
|---|---|
| Ordinary operating profit/loss | Profit/loss before financial items adjusted for other operating income and other operating expenses |
| Return on assets | $\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$ |
| Current ratio | $\frac{\text{Current assets x 100}}{\text{Current liabilities}}$ |
| Equity ratio | $\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$ |

# Management's review

## Business review

ELEARNINGFORCE International ApS is a SaaS (software-as-a-service) company and global group with subsidiaries in US, Germany, UK and Australia. The Group is developing and marketing a learning management system / learning platform, LMS365, based on the Microsoft cloud platform. LMS365 is a subscription-based service, sold directly through subsidiaries and through partners and resellers worldwide. The Group also engages in professional services to support customers and partners. LMS365 has experienced a steep growth curve over the past 6 years, which is expected to continue.

## Financial review

The income statement for 2022 shows a loss of DKK 28,240,970 against a loss of DKK 4,450,417 last year, and the balance sheet at 31 December 2022 shows a negative equity of DKK 21,695,797.

COVID-19 and a general strong growth in the global market for digital learning has represented a huge challenge and an enormous opportunity for the digital transformation of learning. As a consequence, The Group decided to increase investments in both marketing and R&D to ensure to put ourselves in a position to fully seize the opportunity. The loss for the year is in accordance with budget and is satisfactory considering the higher investments made in 2022.

In 2022 The Group has continued to grow its footprint with a 45% growth in Annual Recurring Revenue (ARR) and 41 % in recognized revenue. The churn levels are healthy and within good practice in the market.

As a planned consequence of the increased investments The Group has increased the negative operating income, leading to the above-mentioned loss. On that basis The Group has lost more than half of its share capital and is subject to section 119 of the Danish Companies Act. After the end of the financial year the Equity has be re-established through a capital increase. The capital increase was made in March 2023 as a series a, injecting DKK 137,443,879 (approx. USD 20 milion) into further growth of the business. The capital was raised by new and existing investors as a part of the ambitious 5 year plan "From Aarhus to Unicorn".

The Group is following Danish GAAP and due to the increased Sales, Marketing and R&D expenses in the years to come, The Group has reduced the deferred tax assets with a negative impact of 1,943,380 in 2022. It is however the Managements opinion and expectation that the total cumulative loss for potential Tax loss carry-forward at DKK 67,755,670 will be off set against expected profits from 2026 onwards.

As part of the Group's growth strategy, Elearningforce Group has during the year established a company in Australia, Elearningforce Australalasia Pty. Ltd, which has acquired the Australian company, Elearnngforce Anz Pty Ltd. (Australia) in the financial year.

With effect from the financial year 2022, the size of the Group has transitioned from accounting class B to accounting class C medium-sized, and the group are required to prepare a consolidated financial statement for the Group.

## Knowledge resources

It is the Group's ambition to continue to growth and exploit the market's potential, why it is important for the Group to be at the updated of the technological development and needs of digital learning solutions in the market to continuously develop and optimize solutions. Experienced and competent employees within development and digital learning are an important knowledge resources for the Group and its continued growth, in connection with the knowledge and resource of market needs.

# Management's review

## Financial risks and use of financial instruments

### Price risks

With the increasing inflation the current market generally favours price change to compensate for the impact. The Group following markets levels and has increased its pricing, whilst having a positive trend in customer churn.

### Currency risks

Having approx. 50% of the revenue from US and in total more than 95% outside Denmark, the group is exposed towards currency movements, especially US. The risk is partly hedged by having expenses and cost locally as well and for now The Group do not consider the currency risk being at a magnitude requiring active financial hedging.

### Interest rate risks

Following the capital increase The Group has significant cash and is exposed towards the movement in interest rates. The management and board has agreed that the short term cash will be placed in banks with high credit rating and longer term cash to be placed in Treasury bonds (Statsobligationer) and mortgage bonds (Realkreditobligationer) with the aim to minimize the risk.

## Research and development activities

The Groups development activity is carried out in the parent company. During the financial year, the Group continued to invest in further development of the LMS platform, which involves further development in the form of development of new functions, user interfaces, extensions, etc. Further development of LMS platforms is taking place to maintain its position as a global leader in the market and offer customers a complete learning platform that supports their needs. The Group expects to continue investing in further development of the LMS platform.

## Events after the balance sheet date

In the month of March 2023, a capital increase of DKK 137,443,879 has been made as referred to above.

No other events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year end.

## Outlook

The market continues to be favorable and is expected to grow +15% in the years to come, and the Group will continue to invest in the growth opportunity and expect to continue growing 30-40% on a yearly basis for the coming years.

The Group will in 2023 continue to increase investments in scaling the business further, i.e. both Sales Marketing R&D as well as investing in tools and processes supporting the scaling of the business. This is in line with the strategy to fully seize the opportunity in the market. The Group expect due to higher investment an operating loss for 2023 between DKK -60.000.000 and -70.000.000.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Income statement

| | | Group | | Parent company | |
|---|---|---|---|---|---|
| Note | DKK | 2022 | 2021 | 2022 | 2021 |
| | Gross profit | 53,792,161 | 45,283,400 | 18,722,951 | 25,370,851 |
| 3 | Staff costs | -71,489,626 | -43,478,559 | -37,315,207 | -25,695,873 |
| | Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | -8,017,002 | -6,585,140 | -6,951,781 | -5,799,283 |
| | Profit/loss before net financials | -25,714,467 | -4,780,299 | -25,544,037 | -6,124,305 |
| | Income from investments in group enterprises | 0 | 0 | 550,316 | 1,075,709 |
| 4 | Financial income | 146,123 | 0 | 227,745 | 71,589 |
| 5 | Financial expenses | -461,934 | -625,189 | -1,531,614 | -861,710 |
| | Profit/loss before tax | -26,030,278 | -5,405,488 | -26,297,590 | -5,838,717 |
| 6 | Tax for the year | -2,210,692 | 955,071 | -1,943,380 | 1,388,300 |
| | Profit/loss for the year | -28,240,970 | -4,450,417 | -28,240,970 | -4,450,417 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Balance sheet

| | | Group | | Parent company | |
|---|---|---|---|---|---|
| Note | DKK | 2022 | 2021 | 2022 | 2021 |
| | ASSETS | | | | |
| | Fixed assets | | | | |
| 7 | Intangible assets | | | | |
| | Completed development projects | 32,326,805 | 19,703,695 | 32,326,805 | 19,703,695 |
| | Acquired intangible assets | 1,618,000 | 0 | 0 | 0 |
| | Goodwill | 5,951,897 | 5,782,071 | 0 | 0 |
| | | 39,896,702 | 25,485,766 | 32,326,805 | 19,703,695 |
| 8 | Property, plant and equipment | | | | |
| | Fixtures and fittings, other plant and equipment | 263,439 | 88,944 | 0 | 396 |
| | Leasehold improvements | 849,948 | 1,136,077 | 843,462 | 1,136,077 |
| | | 1,113,387 | 1,225,021 | 843,462 | 1,136,473 |
| 9 | Investments | | | | |
| | Investments in group entities | 0 | 0 | 2,160,153 | 436,861 |
| | | 0 | 0 | 2,160,153 | 436,861 |
| | Total fixed assets | 41,010,089 | 26,710,787 | 35,330,420 | 21,277,029 |
| | Non-fixed assets | | | | |
| | Receivables | | | | |
| | Trade receivables | 31,067,149 | 23,139,546 | 6,527,563 | 8,034,016 |
| | Receivables from group entities | 0 | 0 | 4,406,418 | 1,896,308 |
| 10,13 | Deferred tax assets | 1,122,492 | 2,038,931 | 0 | 1,943,380 |
| | Corporation tax receivable | 88,871 | 143,708 | 53,674 | 105,886 |
| | Other receivables | 3,024,732 | 2,581,871 | 2,585,261 | 2,291,127 |
| 11 | Prepayments | 4,249,195 | 2,169,789 | 2,045,772 | 1,600,778 |
| | | 39,552,439 | 30,073,845 | 15,618,688 | 15,871,495 |
| | Cash | 10,882,273 | 14,416,220 | 956,670 | 4,261,769 |
| | Total non-fixed assets | 50,434,712 | 44,490,065 | 16,575,358 | 20,133,264 |
| | TOTAL ASSETS | 91,444,801 | 71,200,852 | 51,905,778 | 41,410,293 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Balance sheet

| | | Group | | Parent company | |
|---|---|---|---|---|---|
| Note | DKK | 2022 | 2021 | 2022 | 2021 |
| | EQUITY AND LIABILITIES | | | | |
| | Equity | | | | |
| 12 | Share capital | 140,768 | 138,888 | 140,768 | 138,888 |
| | Reserve for development costs | 0 | 0 | 25,214,908 | 15,368,882 |
| | Translation reserve | -55,016 | -159,664 | -55,016 | -159,664 |
| | Retained earnings | -21,781,549 | -3,438,759 | -46,996,457 | -18,807,641 |
| | Total equity | -21,695,797 | -3,459,535 | -21,695,797 | -3,459,535 |
| | Provisions | | | | |
| 9 | Provision, investments in group enterprises | 0 | 0 | 1,059,890 | 1,382,373 |
| 14 | Total provisions | 0 | 0 | 1,059,890 | 1,382,373 |
| | Liabilities other than provisions | | | | |
| | Current liabilities other than provisions | | | | |
| | Trade payables | 7,708,623 | 5,026,637 | 6,726,656 | 4,320,576 |
| | Payables to group entities | 0 | 0 | 37,196,446 | 10,319,447 |
| | Corporation tax payable | 1,256,855 | 120,728 | 0 | 0 |
| | Other payables | 10,924,683 | 7,425,996 | 4,031,058 | 3,569,076 |
| | Deferred income | 93,250,437 | 62,087,026 | 24,587,525 | 25,278,356 |
| | | 113,140,598 | 74,660,387 | 72,541,685 | 43,487,455 |
| | Total liabilities other than provisions | 113,140,598 | 74,660,387 | 72,541,685 | 43,487,455 |
| | TOTAL EQUITY AND LIABILITIES | 91,444,801 | 71,200,852 | 51,905,778 | 41,410,293 |

1 Accounting policies
2 Events after the balance sheet date
15 Contractual obligations and contingencies, etc.
16 Collateral
17 Related parties
18 Appropriation of profit/loss

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Statement of changes in equity

| | | Group | | | |
|---|---|---|---|---|---|
| Note | DKK | Share capital | Translation reserve | Retained earnings | Total |
| | Equity at 1 January 2021 | 138,888 | 0 | 1,011,658 | 1,150,546 |
| | Transfer through appropriation of loss | 0 | 0 | -4,450,417 | -4,450,417 |
| | Adjustment of investments through forreign exchange adjustments | 0 | -159,664 | 0 | -159,664 |
| | Equity at 1 January 2022 | 138,888 | -159,664 | -3,438,759 | -3,459,535 |
| | Capital increase | 1,880 | 0 | 9,898,180 | 9,900,060 |
| | Transfer through appropriation of loss | 0 | 0 | -28,240,970 | -28,240,970 |
| | Adjustment of investments through forreign exchange adjustments | 0 | 104,648 | 0 | 104,648 |
| | Equity at 31 December 2022 | 140,768 | -55,016 | -21,781,549 | -21,695,797 |

| | | Parent company | | | | |
|---|---|---|---|---|---|---|
| Note | DKK | Share capital | Reserve for development costs | Translation reserve | Retained earnings | Total |
| | Equity at 1 January 2021 | 138,888 | 11,131,885 | 0 | -10,120,227 | 1,150,546 |
| 18 | Transfer, see "Appropriation of profit/loss" | 0 | 0 | 0 | -4,450,417 | -4,450,417 |
| | Adjustment of investments through forreign exchange adjustments | 0 | 0 | -159,664 | 0 | -159,664 |
| | Revaluations for the year | 0 | 10,396,889 | 0 | -10,396,889 | 0 |
| | Depreciation in the year | 0 | -4,964,841 | 0 | 4,964,841 | 0 |
| | Tax on items recognised directly in equity | 0 | -1,195,051 | 0 | 1,195,051 | 0 |
| | Equity at 1 January 2022 | 138,888 | 15,368,882 | -159,664 | -18,807,641 | -3,459,535 |
| | Capital increase | 1,880 | 0 | 0 | 9,898,180 | 9,900,060 |
| 18 | Transfer, see "Appropriation of profit/loss" | 0 | 0 | 0 | -28,240,970 | -28,240,970 |
| | Adjustment of investments through forreign exchange adjustments | 0 | 0 | 104,648 | 0 | 104,648 |
| | Revaluations for the year | 0 | 19,281,880 | 0 | -19,281,880 | 0 |
| | Depreciation in the year | 0 | -6,658,770 | 0 | 6,658,770 | 0 |
| | Tax on items recognised directly in equity | 0 | -2,777,084 | 0 | 2,777,084 | 0 |
| | Equity at 31 December 2022 | 140,768 | 25,214,908 | -55,016 | -46,996,457 | -21,695,797 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Cash flow statement

| Note | DKK | Group 2022 | Group 2021 |
|---|---|---|---|
| | Profit/loss for the year | -28,240,970 | -4,450,417 |
| 19 | Adjustments | 10,375,763 | 6,096,484 |
| | Cash generated from operations (operating activities) | -17,865,207 | 1,646,067 |
| 20 | Changes in working capital | 27,199,290 | 7,798,762 |
| | Cash generated from operations (operating activities) | 9,334,083 | 9,444,829 |
| | Interest received, etc. | 146,123 | 0 |
| | Interest paid, etc. | -461,934 | -625,189 |
| | Income taxes paid | -582,549 | -657,997 |
| | Cash flows from operating activities | 8,435,723 | 8,161,643 |
| | Additions of intangible assets | -19,281,880 | -12,603,346 |
| | Additions of property, plant and equipment | -232,126 | -60,927 |
| 21 | Acquisition of companies and activities | -2,355,724 | 0 |
| | Cash flows to investing activities | -21,869,730 | -12,664,273 |
| | Cash capital increase | 9,900,060 | 0 |
| | Cash flows from financing activities | 9,900,060 | 0 |
| | Net cash flow | -3,533,947 | -4,502,630 |
| | Cash and cash equivalents at 1 January | 14,416,220 | 18,918,850 |
| | Cash and cash equivalents at 31 December | 10,882,273 | 14,416,220 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

### 1 Accounting policies

The annual report of Elearningforce International ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

With effect from the financial year 2022, the company has transitioned from accounting class B to accounting class C medium-sized. This has not affected the company's accounting policies for recognition and measurement of assets and liabilities, but has only resulted in changed presentation and disclosure requirements.

#### Changes in accounting estimates

Management has changed its accounting estimate regarding deferred tax assets, due to higher expectation to increases in marketing and R&D expenses in the coming years, and the expectation for the timeline for use of the tax loss carry-forward have been reevaluated. The change in accounting estimate have adversely affected Tax for the year in Profit/loss by DKK 1,943 thousands. Equity was adversely affected by DKK 1,943 thousands. Deferred Tax assets in assets was have adversely affected by DKK 1,943 thousands.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Consolidated financial statements

*Control*

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company’s power to direct a subsidiary’s financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity’s financial and operating decisions.

*Preparation of consolidated financial statements*

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

### 1 Accounting policies (continued)

#### External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

#### 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.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

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.

*Foreign group entities*

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

## Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of services, which comprises consultancy assistance, etc., is recognised in the income statement as the services are rendered.

Income from the sale of time-limited software licences is considered leasing of a right of use and is therefore recognised in line with the transfer of the right over period on a straight line basis over the term of the licence according to the terms of the license agreement.

Income from the sale of indefinite software licences is recognised as sale of goods when delivery and transfer of risk to the buyer have taken place.

Income from royalty is recognised in accordance with the contents of the agreement.

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 profit

The items revenue, cost of sales, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales includes the expenses and services used in generating the year's revenue.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, 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.

### Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost of completed development projects and acquired intangible assets is amortised over the expected useful life.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management’s experience in the individual business segments.

The basis of depreciation for other fixtures and fittings, tools and equipment is based on cost less any residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are 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.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

| | |
|---|---|
| Completed development projects | 5 years |
| Acquired intangible assets | 3 years |
| Goodwill | 10 years |
| Other fixtures and fittings, tools and equipment | 3 years |
| Leasehold improvements | 5 years |

Gains and losses are measured as other income or other expenses in the annual report.

Residual values of property, plant and equipment are subject to annual reassessment. The Company has no significant residual values relating to property, plant and equipment other than those relating to the Company's land.

### Profit/loss from investments in subsidiaries

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In subsidiaries, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

### 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

### Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management’s experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

Other intangible assets include other acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. The cost of completed development projects and acquired intangible assets is amortised over the expected useful life.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs, administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

### Property, plant and equipment

Items of property, plant 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.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases. Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments for operating leases are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

### Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The purchase method of accounting is applied to corporate acquisitions, according to which the acquired entity's identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquired entity before the date of acquisition and not agreed as part of the acquisition are part of the acquisition balance sheet and, hence, the calculation of goodwill. Costs relating to restructuring decided by the acquiring entity must be recognised in the income statement. The tax effect of the restatement of assets and liabilities is taken into account.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

### Impairment of fixed assets

Every year, intangible assets and property, plant and equipment as well as investments in subsidiaries are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must first be allocated to goodwill and then to the other assets on a pro rata basis.

### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses 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.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

### Cash

Cash and cash equivalents comprise cash.

### Equity

*Reserve for net revaluation according to the equity method*

The reserve comprises net revaluations of investments in subsidiaries compared to the cost price.

The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

*Reserve for development costs*

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

*Translation reserve*

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

*Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

### Provisions

Provisions comprise anticipated expenses relating to liability for negative investments in subsidiaries. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

1 Accounting policies (continued)

### 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 taxation rules and taxation 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 value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

### Other payables

Other payables are measured at net realisable value.

### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

### Cash flow statement

The cash flow statement shows the Group's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

2 Events after the balance sheet date

The Group and the Parent Company have recived further investments of DKK 137,443,879 as equity from new and existing investors in March 2023.

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

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

| | | Group | | Parent company | |
|---|---|---|---|---|---|
| | DKK | 2022 | 2021 | 2022 | 2021 |
| 3 | **Staff costs and incentive programmes** | | | | |
| | Wages/salaries | 67,563,291 | 41,017,353 | 35,506,719 | 24,365,259 |
| | Pensions | 2,711,285 | 1,843,494 | 1,440,602 | 1,067,499 |
| | Other social security costs | 1,187,947 | 617,712 | 367,886 | 263,115 |
| | Other staff costs | 27,103 | 0 | 0 | 0 |
| | | 71,489,626 | 43,478,559 | 37,315,207 | 25,695,873 |
| | Average number of full-time employees | 78 | 50 | 38 | 27 |

Remuneration to members of Management:

| | Group | Parent company |
|---|---|---|
| DKK | 2022 | 2022 |
| Executive Board | 3,263,478 | 1,735,735 |
| Board of Directors | 1,148,341 | 1,148,341 |
| | 4,411,819 | 2,884,076 |

There have been a change in the executive board in the financial year 2022 in the Group and the Parent company

Total remuneration to Management for Group and Parent Company in 2021 was: DKK 3,879,482

### Incentive programmes

The company have established an incentive scheme, which includes Executive Board, other employees, advisors and consultants, based on issuance of warrants in period 2020 to 2030. As of 31 december total 844,679 warrants have been granted, and each warrant entitles to subcribe one share of a nominal DKK 0.01 in the company. The total nominal share amount for granted warrants is DKK 8,447, which represents 6% of the current share capital. The warrants issued vest exercise with 1/36 or 1/48 per month from the date they are granted and can be exercised until 2030. The issued warrants have an average price per DKK 24.10 if exercise. Executive Board and employees with warrants has to be employed by companies in order to exercise warrants granted.

| | | Group | | Parent company | |
|---|---|---|---|---|---|
| | DKK | 2022 | 2021 | 2022 | 2021 |
| 4 | **Financial income** | | | | |
| | Interest receivable, group entities | 0 | 0 | 109,963 | 71,589 |
| | Other financial income | 146,123 | 0 | 117,782 | 0 |
| | | 146,123 | 0 | 227,745 | 71,589 |
| 5 | **Financial expenses** | | | | |
| | Interest expenses, group entities | 0 | 0 | 1,108,101 | 258,934 |
| | Other financial expenses | 461,934 | 625,189 | 423,513 | 602,776 |
| | | 461,934 | 625,189 | 1,531,614 | 861,710 |
| 6 | **Tax for the year** | | | | |
| | Estimated tax charge for the year | 1,794,332 | 373,572 | 0 | 0 |
| | Deferred tax adjustments in the year | 416,360 | -1,328,643 | 1,943,380 | -1,388,300 |
| | | 2,210,692 | -955,071 | 1,943,380 | -1,388,300 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

## 7 Intangible assets

| DKK | Group: Completed development projects | Acquired intangible assets | Goodwill | Total |
|---|---|---|---|---|
| Cost at 1 January 2022 | 52,791,174 | 0 | 6,944,928 | 59,736,102 |
| Forreign exchange adjustments | 0 | 0 | 328,800 | 328,800 |
| Additions | 19,281,880 | 1,820,248 | 656,023 | 21,758,151 |
| Cost at 31 December 2022 | 72,073,054 | 1,820,248 | 7,929,751 | 81,823,053 |
| Impairment losses and amortisation at 1 January 2022 | 33,087,479 | 0 | 1,162,857 | 34,250,336 |
| Foreign exchange adjustments | 0 | -7,220 | 56,041 | 48,821 |
| Amortisation for the year | 6,658,770 | 209,468 | 758,956 | 7,627,194 |
| Impairment losses and amortisation at 31 December 2022 | 39,746,249 | 202,248 | 1,977,854 | 41,926,351 |
| Carrying amount at 31 December 2022 | 32,326,805 | 1,618,000 | 5,951,897 | 39,896,702 |
| Amortised over | 5 years | 3 years | 10 years | |

### Completed development projects

Completed development projects primarily consist of the development of mobile apps and cloud-based solutions with a carrying amount of DKK 32,326,805. Management has not identified any indications of impairment. Completed development projects are a fundamental part of the Group's earnings basis.

### Acquired intangible assets

Acquired intangible assets relate to orders from acquisitions of affiliate in the financial year with a carrying amount of DKK 1,618,000.

### Goodwill

Depriciation period for Goodwil is set at 10 years, taking into account the Group's expected plans for activity and increase in earnings.

| DKK | Parent company: Completed development projects |
|---|---|
| Cost at 1 January 2022 | 52,791,174 |
| Additions | 19,281,880 |
| Cost at 31 December 2022 | 72,073,054 |
| Impairment losses and amortisation at 1 January 2022 | 33,087,479 |
| Amortisation for the year | 6,658,770 |
| Impairment losses and amortisation at 31 December 2022 | 39,746,249 |
| Carrying amount at 31 December 2022 | 32,326,805 |
| Amortised over | 5 years |

### Completed development projects

Completed development projects primarily all consist of development of mobile apps and cloud-based solutions, as learning management system with a carrying amount of DKK 32,326,805. Management has not identified any indications of impairment. Completed development projects are subscription-based services and a fundamental part of the Company's business and furture earnings.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

### 8 Property, plant and equipment

| | Group | | |
|---|---|---|---|
| DKK | Fixtures and fittings, other plant and equipment | Leasehold improvements | Total |
| Cost at 1 January 2022 | 268,408 | 1,463,077 | 1,731,485 |
| Foreign exchange adjustments | -1,663 | -11 | -1,674 |
| Additions on merger/corporate acquisition | 156,325 | 31,057 | 187,382 |
| Additions | 232,126 | 0 | 232,126 |
| Cost at 31 December 2022 | 655,196 | 1,494,123 | 2,149,319 |
| Impairment losses and depreciation at 1 January 2022 | 179,464 | 327,000 | 506,464 |
| Foreign exchange adjustments | -1,092 | -53 | -1,145 |
| Accumulated impairment losses and depreciation of additions through mergers and business combinations | 117,537 | 23,271 | 140,808 |
| Depreciation | 95,848 | 293,957 | 389,805 |
| Impairment losses and depreciation at 31 December 2022 | 391,757 | 644,175 | 1,035,932 |
| Carrying amount at 31 December 2022 | 263,439 | 849,948 | 1,113,387 |

| | Parent company | | |
|---|---|---|---|
| DKK | Fixtures and fittings, other plant and equipment | Leasehold improvements | Total |
| Cost at 1 January 2022 | 27,841 | 1,463,077 | 1,490,918 |
| Cost at 31 December 2022 | 27,841 | 1,463,077 | 1,490,918 |
| Revaluations at 1 January 2022 | 0 | 0 | 0 |
| Revaluations at 31 December 2022 | 0 | 0 | 0 |
| Impairment losses and depreciation at 1 January 2022 | 27,445 | 327,000 | 354,445 |
| Depreciation | 396 | 292,615 | 293,011 |
| Impairment losses and depreciation at 31 December 2022 | 27,841 | 619,615 | 647,456 |
| Carrying amount at 31 December 2022 | 0 | 843,462 | 843,462 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

### 9 Investments

| DKK | Parent company<br>Investments in group entities |
|---|---|
| Cost at 1 January 2022 | 194,779 |
| Foreign exchange adjustments | -476 |
| Additions | 474 |
| Cost at 31 December 2022 | 194,777 |
| Value adjustments at 1 January 2022 | 242,082 |
| Foreign exchange adjustments | 105,124 |
| Profit/loss for the year | 550,316 |
| Reversal of prior year revaluations | -1,382,374 |
| Investment with negative net assets value written down over receivables or regonized as provision | 2,450,228 |
| Value adjustments at 31 December 2022 | 1,965,376 |
| Carrying amount at 31 December 2022 | 2,160,153 |

Investments with negative net assets amounts to total DKK 2,450 thousand. Receivables from investment with negative net assets are written down with DKK 1,390 thousand, and investment with negative net assets have been recognized as a provision with DKK 1,060 thousand.

Parent company

| Name | Domicile | Interest |
|---|---|---|
| Elearningforce UK Limited | London, England | 100.00% |
| Elearningforce Corporation | New York, USA | 100.00% |
| Elearningforce GmbH | Erkrath, Germany | 100.00% |
| Elearningforce Australalasia Pty Limited | Queensland, Australien | 100.00% |
| Elearningforce ANZ Pty Ltd | Queensland, Australien | 100.00% |

### 10 Deferred tax assets

Recognised deferred tax assets in the balance sheet at 31 december 2022 relates to differences between the financial statements carrying amount and tax bases.

### 11 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies, etc.

### 12 Share capital

Analysis of changes in the share capital over the past 5 years:

| DKK | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Opening balance | 138,888 | 138,888 | 138,888 | 138,888 | 138,888 |
| Capital increase | 1,880 | 0 | 0 | 0 | 0 |
| | 140,768 | 138,888 | 138,888 | 138,888 | 138,888 |

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

| DKK | Group 2022 | Group 2021 | Parent company 2022 | Parent company 2021 |
|---|---|---|---|---|
| **13 Deferred tax** | | | | |
| Deferred tax at 1 January | -2,038,931 | -698,373 | -1,943,380 | -555,080 |
| Adjustment for the year in the income statement | 416,360 | -1,328,643 | 1,943,380 | -1,388,300 |
| Addition acquisition | 472,202 | 0 | 0 | 0 |
| Exchange adjustments | 27,877 | -11,915 | 0 | 0 |
| Deferred tax at 31 December | -1,122,492 | -2,038,931 | 0 | -1,943,380 |

### 14 Provisions

Parent company

Provisions relating to investments in group entities comprise the Company's liability for negative investments in subsidiaries.

### 15 Contractual obligations and contingencies, etc.

Other contingent liabilities

Other financial obligations

Other rent and lease liabilities:

| DKK | Group 2022 | Group 2021 | Parent company 2022 | Parent company 2021 |
|---|---|---|---|---|
| Rent and lease liabilities | 3,741,542 | 4,737,513 | 3,178,824 | 4,139,498 |

Rent and lease liabilities include a rent obligation totalling DKK 3,605 thousand in interminable rent agreements with remaining contract terms of 6-28 months.

The Company has obligations under operating leases for cars, totaling DKK 136 thousand, with remaining contract terms of 5-22 months.

### 16 Collateral

Group

The Group has not provided any security or other collateral in assets at 31 December 2022.

Parent company

The Parent Company has not provided any security or other collateral in assets at 31 December 2022.

### 17 Related parties

Related party transactions

Transactions with full-owned subsidiaries (100%) have not been disclosed, cf. section 98 c (3) of the Danish Financial Statements Act.

The Company and Group solely discloses related party transactions with other not fully-owned subsidaries that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act. All transactions have been carried out on an arm's length basis.

# Consolidated financial statements and parent company financial statements 1 January - 31 December

## Notes to the financial statements

| | DKK | Parent company 2022 | Parent company 2021 |
|---|---|---|---|
| 18 | **Appropriation of profit/loss** | | |
| | Recommended appropriation of profit/loss | | |
| | Retained earnings/accumulated loss | -28,240,970 | -4,450,417 |
| | | -28,240,970 | -4,450,417 |
| 19 | **Adjustments** | | |
| | Amortisation/depreciation and impairment losses | 8,017,002 | 6,585,140 |
| | Financial income | -146,123 | 0 |
| | Financial expenses | 461,934 | 625,189 |
| | Tax for the year | 2,210,692 | -955,071 |
| | Other adjustments | -167,742 | -158,774 |
| | | 10,375,763 | 6,096,484 |
| 20 | **Changes in working capital** | | |
| | Change in receivables | -9,191,081 | -6,451,440 |
| | Change in trade and other payables | 36,390,371 | 14,250,202 |
| | | 27,199,290 | 7,798,762 |
| 21 | **Acquisition of enterprises and activities** | | |
| | Intangible assets | 1,820,248 | 0 |
| | Property, plant and equipment | 46,574 | 0 |
| | Receivables | 1,258,789 | 0 |
| | Cash | 1,096,958 | 0 |
| | Deferred tax | -472,202 | 0 |
| | Trade payables | -439,970 | 0 |
| | Other payables | -513,738 | 0 |
| | | 2,796,659 | 0 |
| | Goodwill | 656,023 | 0 |
| | Cost of acquisition | 3,452,682 | 0 |
| | Cash | -1,096,958 | 0 |
| | Cost of acquisition paid in cash | 2,355,724 | 0 |