
Languagewire Danmark A/S

Nitivej 10, 1, DK-2000 Frederiksberg

Annual Report for 1 January - 31 December 2020

CVR No 32 55 94 41

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
18/3 2021

Søren Bech Justesen
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Languewire Danmark A/S for the financial year 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

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

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

Frederiksberg, 23 February 2021

Executive Board

Søren Bech Justesen
CEO

Board of Directors

Klaus Hosbond Skovrup
Chairman

Søren Bech Justesen

Stig Jørgensen

Independent Auditor's Report

To the Shareholders of Languagewire Danmark A/S

Opinion

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.

We have audited the Financial Statements of Languagewire Danmark A/S for the financial year 1 January - 31 December 2020, 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.

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 misstate-

Independent Auditor's Report

ment, 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.
- 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

Independent Auditor's Report

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.

Hellerup, 23 February 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Baunkjær Andersen

statsautoriseret revisor

mne35483

Mads Haugegaard Albrechtsen

statsautoriseret revisor

mne45846

Company Information

The Company

Languagewire Danmark A/S
Nitivej 10, 1
DK-2000 Frederiksberg

CVR No: 32 55 94 41
Financial period: 1 January - 31 December
Incorporated: 1 November 2009
Financial year: 12nd financial year
Municipality of reg. office: Frederiksberg

Board of Directors

Klaus Hosbond Skovrup , Chairman
Søren Bech Justesen
Stig Jørgensen

Executive Board

Søren Bech Justesen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The company's primary activity is to deliver language services to B2B-market.

Development in the year

The income statement of the Company for 2020 shows a profit of DKK 1,953,121, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 13,997,431.

The company acquired assets from LanguageWire BV at 1 September 2020.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
Gross profit/loss		12.544.897	11.805.503
Staff expenses	1	-9.839.517	-9.603.130
Depreciation and amortisation of intangible assets and property, plant and equipment		-142.133	0
Profit/loss before financial income and expenses		2.563.247	2.202.373
Financial income		120.946	107.391
Financial expenses		-267.507	-180.030
Profit/loss before tax		2.416.686	2.129.734
Tax on profit/loss for the year	2	-463.565	-468.059
Net profit/loss for the year		1.953.121	1.661.675

Distribution of profit

Proposed distribution of profit

Retained earnings		1.953.121	1.661.675
		1.953.121	1.661.675

Balance Sheet 31 December

Assets

	Note	2020 DKK	2019 DKK
Acquired other similar rights		4.121.848	0
Intangible assets	3	4.121.848	0
Other fixtures and fittings, tools and equipment		13.383	0
Leasehold improvements		48.726	0
Property, plant and equipment		62.109	0
Deposits		257.097	257.097
Fixed asset investments	4	257.097	257.097
Fixed assets		4.441.054	257.097
Trade receivables		23.867.892	15.169.572
Other receivables		1.587.404	0
Deferred tax asset		243.992	0
Prepayments		28.610	156.583
Receivables		25.727.898	15.326.155
Cash at bank and in hand		32.266.502	17.738.046
Currents assets		57.994.400	33.064.201
Assets		62.435.454	33.321.298

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Share capital		400.000	400.000
Retained earnings		<u>13.597.431</u>	<u>11.644.310</u>
Equity		<u>13.997.431</u>	<u>12.044.310</u>
Prepayments received from customers		4.680.822	1.906.763
Trade payables		157.213	888.759
Payables to group enterprises		39.250.982	13.632.473
Corporation tax		875.551	950.999
Other payables		<u>3.473.455</u>	<u>3.897.994</u>
Short-term debt		<u>48.438.023</u>	<u>21.276.988</u>
Debt		<u>48.438.023</u>	<u>21.276.988</u>
Liabilities and equity		<u>62.435.454</u>	<u>33.321.298</u>
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	400.000	11.644.310	12.044.310
Net profit/loss for the year	0	1.953.121	1.953.121
Equity at 31 December	400.000	13.597.431	13.997.431

Notes to the Financial Statements

	2020 DKK	2019 DKK
1 Staff expenses		
Wages and salaries	9.111.646	9.260.337
Pensions	598.548	292.200
Other social security expenses	115.316	21.357
Other staff expenses	14.007	29.236
	9.839.517	9.603.130
Average number of employees	24	12
2 Tax on profit/loss for the year		
Current tax for the year	703.736	468.059
Deferred tax for the year	-243.992	0
Adjustment of tax concerning previous years	3.821	0
	463.565	468.059
3 Intangible assets		Acquired other similar rights DKK
Cost at 1 January		0
Additions for the year		4.263.981
Cost at 31 December		4.263.981
Impairment losses and amortisation at 1 January		0
Amortisation for the year		142.133
Impairment losses and amortisation at 31 December		142.133
Carrying amount at 31 December		4.121.848

Notes to the Financial Statements

4 Fixed asset investments

	Deposits DKK
Cost at 1 January	257.097
Cost at 31 December	257.097
Carrying amount at 31 December	257.097

	2020 DKK	2019 DKK
5 Contingent assets, liabilities and other financial obligations		

Contingent liabilities

Liabilities under rental or lease agreements until maturity in total	219.293	106.812
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The Entity participates in a Danish joint taxation arrangement in which "CC Lingo Invest ApS", Central Business Registration No 38601024, serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Languagewire Danmark A/S for 2020 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 2020 are presented in DKK.

Recognition and measurement

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.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Expenses related to TP adjustments

Cost of sales includes purchased services from group companies and regulation of transfer pricing.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses related to TP adjustments and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

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 wholly owned Danish companies. The tax effect of the joint taxation is

Notes to the Financial Statements

6 Accounting Policies (continued)

allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Acquired other similar rights is measured at cost less accumulated amortisation. Acquired other similar rights is amortised on a straight-line basis over its useful life, which is assessed at 10 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	3-5	years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 30,000 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.