
LanguageWire Danmark A/S

Nitivej 10, 1., DK-2000 Frederiksberg

Annual Report for 2023

CVR No. 32 55 94 41

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 15/3 2024

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 LanguageWire Danmark A/S for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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

Frederiksberg, 7 March 2024

Executive Board

Søren Bech Justesen
CEO

Board of Directors

Klaus Hosbond Skovrup
Chairman

Søren Bech Justesen

Independent Auditor's report

To the shareholder 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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 2023, 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' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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.

Independent Auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 7 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Lundemann

State Authorised Public Accountant

mne44181

Jacob Dannefer

State Authorised Public Accountant

mne47886

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: 15th financial year Municipality of reg. office: Frederiksberg
Board of Directors	Klaus Hosbond Skovrup, chairman Søren Bech Justesen
Executive Board	Søren Bech Justesen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		19,426,263	20,931,844
Staff expenses	2	-16,683,539	-17,379,380
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-315,237	-277,192
Profit/loss before financial income and expenses		2,427,487	3,275,272
Financial income	4	79,470	198,336
Financial expenses	5	-265,968	-557,943
Profit/loss before tax		2,240,989	2,915,665
Tax on profit/loss for the year	6	-617,643	-904,932
Net profit/loss for the year		1,623,346	2,010,733
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Proposed dividend for the year		7,000,000	0
Retained earnings		-5,376,654	2,010,733
		1,623,346	2,010,733

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Acquired other similar rights		2,053,880	2,361,960
Intangible assets	7	2,053,880	2,361,960
Leasehold improvements		26,835	33,991
Property, plant and equipment	8	26,835	33,991
Deposits		270,386	281,350
Fixed asset investments		270,386	281,350
Fixed assets		2,351,101	2,677,301
Trade receivables		13,943,201	20,167,897
Contract work in progress	9	2,585,898	0
Prepayments		0	14,400
Receivables		16,529,099	20,182,297
Current assets		16,529,099	20,182,297
Assets		18,880,200	22,859,598

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		400,000	400,000
Retained earnings		929,816	6,306,470
Proposed dividend for the year		7,000,000	0
Equity		8,329,816	6,706,470
Provision for deferred tax		2,109	2,524
Provisions		2,109	2,524
Prepayments received from customers		3,910,774	8,649,268
Trade payables		23,898	50,311
Payables to group enterprises		2,228,496	3,613,106
Corporation tax		618,058	570,218
Other payables		3,767,049	3,267,701
Short-term debt		10,548,275	16,150,604
Debt		10,548,275	16,150,604
Liabilities and equity		18,880,200	22,859,598
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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	400,000	6,306,470	0	6,706,470
Net profit/loss for the year	0	-5,376,654	7,000,000	1,623,346
Equity at 31 December	400,000	929,816	7,000,000	8,329,816

Notes to the Financial Statements

1. Key activities

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

2. Staff Expenses

	2023	2022
	DKK	DKK
Wages and salaries	15,382,437	16,054,519
Pensions	1,040,612	1,046,954
Other social security expenses	211,312	225,911
Other staff expenses	49,178	51,996
	<u>16,683,539</u>	<u>17,379,380</u>

Average number of employees	<u>27</u>	<u>29</u>
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3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment

	2023	2022
	DKK	DKK
Amortisation of intangible assets	308,081	275,403
Depreciation of property, plant and equipment	7,156	1,789
	<u>315,237</u>	<u>277,192</u>

4. Financial income

	2023	2022
	DKK	DKK
Exchange gains	79,470	198,336
	<u>79,470</u>	<u>198,336</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
5. Financial expenses		
Other financial expenses	44,703	353,089
Exchange loss	<u>221,265</u>	<u>204,854</u>
	<u>265,968</u>	<u>557,943</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Income tax expense		
Current tax for the year	618,058	570,218
Deferred tax for the year	-21	71,954
Adjustment of tax concerning previous years	0	262,760
Adjustment of deferred tax concerning previous years	<u>-394</u>	<u>0</u>
	<u>617,643</u>	<u>904,932</u>
7. Intangible fixed assets		
		Acquired other similar rights
		<u>DKK</u>
Cost at 1. January		3,080,815
Cost at 31. December		<u>3,080,815</u>
Impairment losses and depreciation at 1. January		718,855
Depreciation for the year		<u>308,080</u>
Impairment losses and depreciation at 31. December		<u>1,026,935</u>
Carrying amount at 31. December		<u>2,053,880</u>

Notes to the Financial Statements

8. Property, plant and equipment

	Leasehold improvements
	DKK
Cost at 1. January	84,506
Cost at 31. December	84,506
Impairment losses and depreciation at 1. January	50,515
Depreciation for the year	7,156
Impairment losses and depreciation at 31. December	57,671
Carrying amount at 31. December	26,835

2023	2022
DKK	DKK

9. Contract work in progress

Contract work in progress is recognised in the balance sheet as follows:

Contract work in progress recognised in assets	2,585,898	0
	2,585,898	0

2023	2022
DKK	DKK

10. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

Liabilities under rental or lease agreements until maturity in total	799,532	384,000
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The Entity participates in a Danish joint taxation arrangement in which "Holdingselskabet af 6. august ApS", Central Business Registration No 42594881, 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

11. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act. There have been no such transactions in the financial year.

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Holdingselskabet af 6. august ApS (Largest group)	Frederiksberg
LanguageWire A/S (Smallest group)	Frederiksberg

Notes to the Financial Statements

12. Accounting policies

The Annual Report of LanguageWire Danmark A/S for 2023 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 2023 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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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 transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer.

Notes to the Financial Statements

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

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

Cost of goods sold

Costs of external translation consultants or all other direct cost consumed to achieve revenue for the year.

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, cost of goods sold 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 deferred tax for the year. The tax attributable to the profit for 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 with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed 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.

Notes to the Financial Statements

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:

Leasehold improvements	3-5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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.

Other fixed asset investments

Other 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.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Prepayments

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

Equity

Dividend

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

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Notes to the Financial Statements

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, 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.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

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