Prime Force Denmark ApS

Njalsgade 76, 24, 2300 København S

Company reg. no. 33 96 08 75

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 25 September 2020.

Holger Strack
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Prime Force Denmark ApS for the financial year 1 January to 31 December 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Copenhagen, 25 September 2020

Managing Director

Holger Strack

Board of directors

Christian Gröger	Thomas Pesendorfer	Holger Strack

Independent auditor's report

To the shareholders of Prime Force Denmark ApS

Opinion

We have audited the annual accounts of Prime Force Denmark ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

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

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section “Auditor’s responsibilities for the audit of the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainties concerning the enterprise's ability to continue as a going concern

According to the specifications to the annual report, note 1, the company's liquidity is tight. It is management's expectation that the company can obtain needed resources of liquidity and be able to carry out its operations in the coming financial year.

It is essential for the company’s resources of liquidity that the company both will obtain satisfying earnings and that the company is able to enter arrangements with the company's creditors. As stated in note 1, these events or conditions, along with other matters may indicate a significant doubt on the company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Independent auditor's report

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management’s review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management’s review and in that connection consider whether the management’s review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 25 September 2020

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Ulrik Nørskov
State Authorised Public Accountant
mne29456

Company information

The company	Prime Force Denmark ApS Njalsgade 76, 24 2300 København S	
	Company reg. no.	33 96 08 75
	Established:	1 October 2011
	Domicile:	Copenhagen
	Financial year:	1 January 2019 - 31 December 2019 8th financial year
Board of directors	Christian Gröger Thomas Pesendorfer Holger Strack	
Managing Director	Holger Strack	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	

Management commentary

The principal activities of the company

The Companys principal activities is management- and IT consulting.

Development in activities and financial matters

The gross profit for the year is DKK 873.217 against DKK 1.346.107 last year. The results from ordinary activities after tax are DKK 137.508 against DKK -197.336 last year. The management consider the results is not satisfactory.

The company has lost more than half of the equity at the balance sheet date and is therefore covered by the Danish Companies Act's loss of capital. The management expects to restore the capital base on own earnings following year.

The company's resources of liquidity is tight. The Management expects a positive result for the coming financial year. It is a material condition for the company's ability to continue as a going concern, that the company can realize the expected positive earnings in the coming years together with being able to enter arrangements with the company's creditors. The Management expects to have the needed liquidity to finance the planned operating activities of the coming years based on the expectation to a positive earning.

The annual report has been prepared under the principles of being a going concern.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2019	2018
	Gross profit	**873.217**	**1.346.107**
2	Staff costs	-708.308	-1.529.143
	Depreciation and writedown relating to tangible fixed assets	-3.873	-4.356
	Operating profit	**161.036**	**-187.392**
	Other financial income	655	2.424
3	Other financial costs	-24.183	-12.368
	Results before tax	**137.508**	**-197.336**
4	Tax on ordinary results	0	0
	Net profit or loss for the year	**137.508**	**-197.336**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	137.508	0
	Allocated from retained earnings	0	-197.336
	Total allocations and transfers	**137.508**	**-197.336**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2019	2018
	Non-current assets		
5	Other plants, operating assets, and fixtures and furniture	8.068	11.941
	Total property, plant, and equipment	8.068	11.941
6	Deposits	23.251	22.398
	Total investments	23.251	22.398
	Total non-current assets	**31.319**	**34.339**
	Current assets		
	Trade debtors	501.176	179.797
	Receivable corporate tax	2.000	14.000
	Other debtors	21.523	22.312
	Total receivables	524.699	216.109
	Available funds	214.261	87.234
	Total current assets	**738.960**	**303.343**
	Total assets	**770.279**	**337.682**

Statement of financial position at 31 December

All amounts in DKK.

Note	**Equity and liabilities**	2019	2018
	Equity		
7	Contributed capital	260.593	260.593
8	Retained earnings	-215.898	-353.406
	Total equity	**44.695**	**-92.813**
	Liabilities other than provisions		
	Bank debts	54.406	48.837
	Trade payables	425.272	123.827
	Other payables	245.906	257.831
	Total short term liabilities other than provisions	725.584	430.495
	Total liabilities other than provisions	**725.584**	**430.495**
	Total equity and liabilities	**770.279**	**337.682**

1 Uncertainties concerning the enterprise's ability to continue as a going concern

9 Contingencies

Notes

All amounts in DKK.

		2019	2018
1.	**Uncertainties concerning the enterprise's ability to continue as a going concern**		

The company has incurred a net profit of DKK 137.508 during the year ended 31 December 2019 and, as of that date, the company's current liabilities exceeded its total assets by DKK 44.695. As the equity represents less than half of the subscribed capital, the company is subject to the Danish Companies Act section 119 regarding loss of capital.

The company's resources of liquidity is tight. The Management expects a positive result for the coming financial year. It is a material condition for the company's ability to continue as a going concern, that the company can realize the expected positive earnings in the coming years together with being able to enter arrangements with the company's creditors. The Management expects to have the needed liquidity to finance the planned operating activities of the coming years based on the expectation to a positive earning.

The annual report has been prepared under the principles of being a going concern.

		2019	2018
2.	**Staff costs**		
	Salaries and wages	647.397	1.437.015
	Pension costs	50.000	72.000
	Other costs for social security	10.911	20.128
		708.308	**1.529.143**
	Average number of employees	1	3
3.	**Other financial costs**		
	Other financial costs	24.183	12.368
		24.183	**12.368**
4.	**Tax on ordinary results**		
	Tax of the results for the year, parent company	0	0
		0	**0**

Notes

All amounts in DKK.

5. Other plants, operating assets, and fixtures and furniture

Cost 1 January 2019	33.839	14.475
Additions during the year	0	19.364
Cost 31 December 2019	**33.839**	**33.839**
Depreciation and writedown 1 January 2019	-21.898	-17.542
Depreciation for the year	-3.873	-4.356
Depreciation and writedown 31 December 2019	**-25.771**	**-21.898**
Book value 31 December 2019	**8.068**	**11.941**

6. Deposits

Cost 1 January 2019	22.398	21.290
Additions during the year	853	1.108
Cost 31 December 2019	**23.251**	**22.398**
Book value 31 December 2019	**23.251**	**22.398**

7. Contributed capital

Contributed capital 1 January 2019	260.593	260.593
	260.593	**260.593**

8. Retained earnings

Retained earnings 1 January 2019	-353.406	-156.070
Profit or loss for the year brought forward	137.508	-197.336
	-215.898	**-353.406**

9. Contingencies

Contingent liabilities

	DKK in tousands
Contingent liabilities in total	23

Accounting policies

The annual report for Prime Force Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Income statement

Gross profit

The Gross profit comprises the net turnover, cost of sales, and external cost.

The net turnover is recognised in the profit and loss account income if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Debtors

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank.

Corporate tax and deferred tax

Current tax receivable and tax 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 previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.