



eloomi A/S

Per Henrik Lings Allé 4, 4.
2100 København Ø
CVR No. 36699752

Annual report 01.07.2019 - 30.06.2020

The Annual General Meeting adopted the
annual report on 18.11.2020

Peter Michael Daffern
Chairman of the General Meeting

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Entity details

Entity

eloomi A/S

Per Henrik Lings Allé 4, 4.

2100 København Ø

CVR No.: 36699752

Registered office: København

Financial year: 01.07.2019 - 30.06.2020

Board of Directors

Peter Michael Daffern, chairman

Claus Christian Johansen

Jacob Christian Bratting Pedersen, vice chairman

Hillel Louis Zidel

Peter Braüner Hindkjær

Executive Board

Claus Christian Johansen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of eloomi A/S for the financial year 01.07.2019 - 30.06.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 18.11.2020

Executive Board

Claus Christian Johansen
CEO

Board of Directors

Peter Michael Daffern
chairman

Claus Christian Johansen

Jacob Christian Bratting Pedersen
vice chairman

Hillel Louis Zidel

Peter Braüner Hindkjær

Independent auditor's report

To the shareholders of eloomi A/S

Opinion

We have audited the financial statements of eloomi A/S for the financial year 01.07.2019 - 30.06.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 18.11.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Carøe Andersen

State Authorised Public Accountant
Identification No (MNE) mne34499

Management commentary

Primary activities

The company's activities comprise development and sale of software, within learning management and performance management.

Description of material changes in activities and finances

Profit/loss for the year amounted to a loss of DKK 23,474k after taxes. Management considers the result to be satisfactory, in relation to management's expectations for the financial year.

Significant revenue growth has been realized in 2019/20. Management expects continued growth in the 2020/21 financial year.

Revenue is based on license income that is recognized during the licens period. A material amount of the sold licens in the financial year 2019/20 therefore first has real effect on the result in the coming financial year.

The company's management believes that the company has a strong liquidity preparedness that can form the basis for the future expected growth. Management expects a positive development and growth for the coming financial year.

Events after the balance sheet date

After the balance sheet date, the company has called the agreed tranche 2 at € 5m as a capital increase on 1 December 2020. Furthermore a warrant for € 6m has been issued to the existing investors to be called before 15 December 2021.

No other events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income statement for 2019/20

	Notes	2019/20 DKK	2018/19 DKK
Gross profit/loss		17,392,890	8,970,497
Staff costs	1	(37,829,743)	(20,747,164)
Depreciation, amortisation and impairment losses	2	(4,290,425)	(3,080,497)
Operating profit/loss		(24,727,278)	(14,857,164)
Other financial income		4,816	0
Other financial expenses	3	(534,454)	(288,500)
Profit/loss before tax		(25,256,916)	(15,145,664)
Tax on profit/loss for the year	4	1,783,025	1,782,238
Profit/loss for the year		(23,473,891)	(13,363,426)
Proposed distribution of profit and loss			
Retained earnings		(23,473,891)	(13,363,426)
Proposed distribution of profit and loss		(23,473,891)	(13,363,426)

Balance sheet at 30.06.2020

Assets

	Notes	2019/20 DKK	2018/19 DKK
Completed development projects	6	14,207,214	9,988,133
Acquired trademarks		105,228	0
Intangible assets	5	14,312,442	9,988,133
Other fixtures and fittings, tools and equipment		592,182	287,658
Leasehold improvements		987,347	348,784
Property, plant and equipment	7	1,579,529	636,442
Deposits		846,394	898,704
Other financial assets	8	846,394	898,704
Fixed assets		16,738,365	11,523,279
Trade receivables		8,510,383	6,326,901
Other receivables		51,829	0
Income tax receivable		2,583,263	1,729,340
Prepayments		3,402,012	1,651,567
Receivables		14,547,487	9,707,808
Cash		36,584,964	14,250,039
Current assets		51,132,451	23,957,847
Assets		67,870,816	35,481,126

Equity and liabilities

	Notes	2019/20 DKK	2018/19 DKK
Contributed capital	9	1,165,052	988,749
Reserve for development expenditure		10,612,066	6,695,101
Retained earnings		13,239,994	3,219,353
Equity		25,017,112	10,903,203
Other payables		3,420,040	3,094,924
Non-current liabilities other than provisions	10	3,420,040	3,094,924
Trade payables		3,397,842	2,525,380
Other payables		10,486,104	2,796,379
Deferred income		25,549,718	16,161,240
Current liabilities other than provisions		39,433,664	21,482,999
Liabilities other than provisions		42,853,704	24,577,923
Equity and liabilities		67,870,816	35,481,126
Unrecognised rental and lease commitments	11		
Contingent assets	12		

Statement of changes in equity for 2019/20

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	988,749	6,695,101	3,219,353	10,903,203
Increase of capital	176,303	0	37,411,497	37,587,800
Transfer to reserves	0	3,916,965	(3,916,965)	0
Profit/loss for the year	0	0	(23,473,891)	(23,473,891)
Equity end of year	1,165,052	10,612,066	13,239,994	25,017,112

Notes

1 Staff costs

	2019/20 DKK	2018/19 DKK
Wages and salaries	39,978,293	21,507,160
Other social security costs	463,396	310,692
Other staff costs	2,139,698	1,912,497
	42,581,387	23,730,349
Staff costs classified as assets	(4,751,644)	(2,983,185)
	37,829,743	20,747,164
Average number of full-time employees	65	35

2 Depreciation, amortisation and impairment losses

	2019/20 DKK	2018/19 DKK
Amortisation of intangible assets	3,891,118	2,879,608
Depreciation of property, plant and equipment	396,108	200,889
Profit/loss from sale of intangible assets and property, plant and equipment	3,199	0
	4,290,425	3,080,497

3 Other financial expenses

	2019/20 DKK	2018/19 DKK
Other interest expenses	133,975	102,200
Exchange rate adjustments	237,473	29,408
Other financial expenses	163,006	156,892
	534,454	288,500

4 Tax on profit/loss for the year

	2019/20 DKK	2018/19 DKK
Current tax	(1,783,025)	(800,238)
Change in deferred tax	0	(982,000)
	(1,783,025)	(1,782,238)

5 Intangible assets

	Completed development projects DKK	Acquired trademarks DKK
Cost beginning of year	16,499,794	0
Additions	8,104,661	110,766
Cost end of year	24,604,455	110,766
Amortisation and impairment losses beginning of year	(6,511,661)	0
Amortisation for the year	(3,885,580)	(5,538)
Amortisation and impairment losses end of year	(10,397,241)	(5,538)
Carrying amount end of year	14,207,214	105,228

6 Development projects

Development projects consists of continuous development of the business platform the purpose of which is to attract new customers and to retain existing customers. Hence it is crucial for the achievement of future financial goals and have a significant role in growing the business. The development covers both new features to existing products and new offerings.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	536,140	448,430
Additions	529,345	813,049
Disposals	(3,199)	0
Cost end of year	1,062,286	1,261,479
Depreciation and impairment losses beginning of year	(248,482)	(99,646)
Depreciation for the year	(221,622)	(174,486)
Depreciation and impairment losses end of year	(470,104)	(274,132)
Carrying amount end of year	592,182	987,347

8 Financial assets

	Deposits DKK
Cost beginning of year	898,704
Additions	20,644
Disposals	(72,954)
Cost end of year	846,394
Carrying amount end of year	846,394

9 Share capital

	Number	Par value DKK	Nominal value DKK
A-shares	501,000	1	501,000
B-shares	191,369	1	191,369
C-shares	296,380	1	296,380
D-shares	176,303	1	176,303
	1,165,052		1,165,052

The company has established a warrant-program with the intent of issuing warrants to employees. At 30th of June 2020 a total of 115.989 warrants have been issued. Management has been authorized to issue as much as 175.834 warrants. One warrant presents the owner with the opportunity to subscribe for one share, when certain conditions are met.

10 Non-current liabilities other than provisions

	Due after more than 12 months 2019/20 DKK
Other payables	3,420,040
	3,420,040

11 Unrecognised rental and lease commitments

	2019/20 DKK	2018/19 DKK
Liabilities under rental or lease agreements until maturity in total	2,019,943	3,589,286

12 Contingent assets

The Entity has an unrecognized deferred tax asset of DKK 5,684k.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and other external expenses.

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.

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.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, net capital or exchange gains on securities, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.