



eloomi A/S

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

Annual report 01.07.2020 - 30.06.2021

The Annual General Meeting adopted the
annual report on 02.12.2021

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

Business Registration No.: 36699752

Registered office: Copenhagen

Financial year: 01.07.2020 - 30.06.2021

Board of Directors

Peter Michael Daffern, chairman

Claus Christian Johansen

Jacob Christian Bratting Pedersen

Hillel Louis Zidel

Christopher Michael Busby

Dayne Lewis Williams

Executive Board

Claus Christian Johansen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of eloomi A/S for the financial year 01.07.2020 - 30.06.2021.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.07.2020 - 30.06.2021.

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, 02.12.2021

Executive Board

Claus Christian Johansen

CEO

Board of Directors

Peter Michael Daffern

chairman

Claus Christian Johansen

Jacob Christian Bratting Pedersen

Hillel Louis Zidel

Christopher Michael Busby

Dayne Lewis Williams

Independent auditor's report

To the shareholders of eloomi A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of eloomi A/S for the financial year 01.07.2020 - 30.06.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.07.2020 - 30.06.2021 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 02.12.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Carøe Andersen

State Authorised Public Accountant
Identification No (MNE) mne34499

Management commentary

Financial highlights

	2020/21	2019/20	2018/19	2017/18	2016/17
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	20,404	17,393	8,970	6,524	3,617
Operating profit/loss	(39,385)	(24,727)	(14,857)	(5,651)	(591)
Net financials	(288)	(530)	(289)	(282)	(140)
Profit/loss for the year	(36,802)	(23,474)	(13,363)	(4,640)	(575)
Balance sheet total	265,050	67,871	35,481	27,823	18,373
Investments in property, plant and equipment	976	1,342	538	250	95
Investments in intangible assets	13,333	8,215	3,637	4,223	4,626
Equity	201,503	25,017	10,903	11,267	4,530
Ratios					
Return on equity (%)	(32.49)	(130.70)	(120.55)	(58.75)	(13.67)
Equity ratio (%)	76.02	36.86	30.73	40.50	24.66

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Balance sheet total

Primary activities

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

Development in activities and finances

Profit/loss for the year amounted to a loss of DKK 36,802k after taxes against a loss of DKK 23,474k in 2019/20.

The net loss for the year is in line with management expectations, as the Company has continued growing the organization and did make significant investments in developing software within learning and performance management. Similar to previous years, high revenue growth has also been realized in 2020/21. Management expects continued growth in the 2021/22 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 2020/21 therefore first has real effect on the result in the coming financial year.

Profit/loss for the year in relation to expected developments

Management considers the result to be satisfactory, in relation to management's expectations for the financial year.

Uncertainty relating to recognition and measurement

No deferred tax asset has been recognized in the financial statement, as there is uncertainty regarding the timing of future usage of the asset. The Company plans on continuing the growth of the Company, which is expected to cause net losses for the next few years. Management will make a yearly reassessment of whether to recognize the deferred tax asset.

Outlook

In 2021/22 the management will strive to realize continuing high growth by investing heavily into both the organization and the development of software. As a result, management expects to incur an operating loss for the coming fiscal year. However, due to the recent increase of capital, the Company has a strong liquidity preparedness to execute on the growth plans, which form the basis of the expected future growth.

Knowledge resources

Knowledge ressources are important to the Company in order to execute on the Company's strategy and to achieve the goals set out by management. As a result, the Company is continuously working on maintaining and developing the required competencies for all employees.

Environmental performance

The Company's plans for health, safety and environmental impact are prepared with the aim of being compliant with local regulations and the increasing expectations from the society in general. As part of the plans, the Company is looking into ways of minimizing the environmental impact.

In addition, management will continue training personnel to further improve the Company's work environment. This is important as the knowledge ressources are of high importance to the Company.

Research and development activities

The Company conducts research and development of software on an ongoing basis. Management plans to keep making significant investments into these activities. The purpose of these investments are to ensure, that the Company will be able to achieve the goals of high growth and expand its market position in the years to come.

Events after the balance sheet date

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

Consolidated income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Gross profit/loss		20,404,404	17,392,890
Staff costs	2	(52,025,300)	(37,829,743)
Depreciation, amortisation and impairment losses	3	(7,764,386)	(4,290,425)
Operating profit/loss		(39,385,282)	(24,727,278)
Other financial income	4	57	4,816
Other financial expenses	5	(287,653)	(534,454)
Profit/loss before tax		(39,672,878)	(25,256,916)
Tax on profit/loss for the year	6	2,871,248	1,783,025
Profit/loss for the year	7	(36,801,630)	(23,473,891)

Consolidated balance sheet at 30.06.2021

Assets

	Notes	2020/21 DKK	2019/20 DKK
Completed development projects	9	20,286,390	14,207,214
Acquired trademarks		183,147	105,228
Intangible assets	8	20,469,537	14,312,442
Other fixtures and fittings, tools and equipment		780,811	592,182
Leasehold improvements		1,102,767	987,347
Property, plant and equipment	10	1,883,578	1,579,529
Deposits		1,075,420	846,394
Financial assets	11	1,075,420	846,394
Fixed assets		23,428,535	16,738,365
Trade receivables		20,279,336	8,510,383
Other receivables		24,888	51,829
Tax receivable		4,692,649	2,583,263
Prepayments	12	4,643,936	3,402,012
Receivables		29,640,809	14,547,487
Cash		211,980,937	36,584,964
Current assets		241,621,746	51,132,451
Assets		265,050,281	67,870,816

Equity and liabilities

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital	13	1,686,307	1,165,053
Retained earnings		199,816,885	23,852,060
Equity		201,503,192	25,017,113
Other payables		5,247,660	3,420,040
Non-current liabilities other than provisions	14	5,247,660	3,420,040
Trade payables		7,963,512	3,397,842
Tax payable		38,376	0
Other payables		10,835,703	10,486,103
Deferred income	15	39,461,838	25,549,718
Current liabilities other than provisions		58,299,429	39,433,663
Liabilities other than provisions		63,547,089	42,853,703
Equity and liabilities		265,050,281	67,870,816
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	17		
Contingent assets	18		
Transactions with related parties	19		
Group relations	20		
Subsidiaries	21		

Consolidated statement of changes in equity for 2020/21

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,165,052	23,852,060	25,017,112
Increase of capital	521,255	212,766,455	213,287,710
Profit/loss for the year	0	(36,801,630)	(36,801,630)
Equity end of year	1,686,307	199,816,885	201,503,192

Consolidated cash flow statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Operating profit/loss		(39,385,282)	(24,727,278)
Amortisation, depreciation and impairment losses		7,764,386	4,290,425
Working capital changes	16	10,948,910	14,166,988
Cash flow from ordinary operating activities		(20,671,986)	(6,269,865)
Financial income received		233,704	4,816
Financial expenses paid		(498,025)	(534,454)
Taxes refunded/(paid)		800,238	925,894
Cash flows from operating activities		(20,136,069)	(5,873,609)
Acquisition etc. of intangible assets		(13,332,659)	(8,215,427)
Acquisition etc. of property, plant and equipment		(975,947)	(1,339,195)
Acquisition of fixed asset investments		(229,026)	52,319
Cash flows from investing activities		(14,537,632)	(9,502,303)
Free cash flows generated from operations and investments before financing		(34,673,701)	(15,375,912)
Loans raised			123,111
Repayments of loans etc.		(3,218,036)	
Cash capital increase		213,287,710	37,587,726
Cash flows from financing activities		210,069,674	37,710,837
Increase/decrease in cash and cash equivalents		175,395,973	22,334,925
Cash and cash equivalents beginning of year		36,584,964	14,250,039
Cash and cash equivalents end of year		211,980,937	36,584,964
Cash and cash equivalents at year-end are composed of:			
Cash		211,980,937	36,584,964
Cash and cash equivalents end of year		211,980,937	36,584,964

Notes to consolidated financial statements

1 Events after the balance sheet date

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

2 Staff costs

	2020/21 DKK	2019/20 DKK
Wages and salaries	54,592,407	39,978,293
Other social security costs	786,061	463,396
Other staff costs	2,773,387	2,139,698
	58,151,855	42,581,387
Staff costs classified as assets	(6,126,555)	(4,751,644)
	52,025,300	37,829,743
Average number of full-time employees	83	65

Special incentive programmes

The special incentive program for senior management and directors includes the possibility to exercise the warrants granted in case of an Exit Event as described in note 13. As of 30 June 2021 the senior management and directors are granted with a total of 92,974 warrants.

The company have left out remuneration of management in accordance with the Danish Financial Act Statements § 98B, 3.

3 Depreciation, amortisation and impairment losses

	2020/21 DKK	2019/20 DKK
Amortisation of intangible assets	7,175,564	3,891,118
Depreciation on property, plant and equipment	653,445	396,108
Profit/loss from sale of intangible assets and property, plant and equipment	(66,952)	3,199
	7,762,057	4,290,425

4 Other financial income

	2020/21 DKK	2019/20 DKK
Other interest income	57	4,816
	57	4,816

5 Other financial expenses

	2020/21 DKK	2019/20 DKK
Other interest expenses	29,893	133,975
Exchange rate adjustments	154,030	237,473
Other financial expenses	103,730	163,006
	287,653	534,454

6 Tax on profit/loss for the year

	2020/21 DKK	2019/20 DKK
Current tax	(2,871,248)	(1,783,025)
	(2,871,248)	(1,783,025)

7 Proposed distribution of profit/loss

	2020/21 DKK	2019/20 DKK
Retained earnings	(36,801,630)	(23,473,891)
	(36,801,630)	(23,473,891)

8 Intangible assets

	Completed development projects DKK	Acquired trademarks DKK
Cost beginning of year	24,604,455	110,766
Additions	13,225,564	107,095
Cost end of year	37,830,019	217,861
Amortisation and impairment losses beginning of year	(10,397,241)	(5,538)
Amortisation for the year	(7,146,388)	(29,176)
Amortisation and impairment losses end of year	(17,543,629)	(34,714)
Carrying amount end of year	20,286,390	183,147

9 Development projects

Development projects consists of continuous development of the business platform the purpose of which is to attract new customers and 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.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,062,286	1,261,479
Additions	540,190	435,757
Disposals	0	(28,050)
Cost end of year	1,602,476	1,669,186
Depreciation and impairment losses beginning of year	(470,104)	(274,132)
Depreciation for the year	(351,561)	(304,213)
Reversal regarding disposals	0	11,926
Depreciation and impairment losses end of year	(821,665)	(566,419)
Carrying amount end of year	780,811	1,102,767

11 Financial assets

	Deposits DKK
Cost beginning of year	846,394
Additions	229,026
Cost end of year	1,075,420
Carrying amount end of year	1,075,420

12 Prepayments

Prepayments is related to prepaid costs.

13 Contributed 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 both employees, senior management and directors. The warrants granted are only exercisable in case of an Exit Event with the purchase price being determined as the shares proportionate part of the exit value of the Company.

As of 30 June 2021 a total of 169,430 warrants have been issued. Management has been authorized to issue as much as 183,100 warrants. One warrant presents the owner with the opportunity to subscribe for one share in eloomi A/S, when certain conditions are met.

14 Non-current liabilities other than provisions

	Due after more than 12 months 2020/21 DKK
Other payables	5,247,660
	5,247,660

The outstanding amount after 5 years is DKK. 0.

15 Deferred income

Deferred income comprises payments relating to sales that are not recognised as income until in the subsequent financial year, when the recognition criteria are satisfied.

16 Changes in working capital

	2020/21 DKK	2019/20 DKK
Increase/decrease in receivables	(12,680,455)	(4,289,289)
Increase/decrease in trade payables etc.	23,629,365	18,456,277
	10,948,910	14,166,988

17 Unrecognised rental and lease commitments

	2020/21 DKK	2019/20 DKK
Total liabilities under rental or lease agreements until maturity	1,214,150	2,019,943

18 Contingent assets

The Entity has an unrecognised deferred tax asset of DKK 11,594 thousand.

19 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

20 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group: eloomi A/S, Per Henrik Lings Allé 4, 2100 Copenhagen

21 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity DKK	Profit/loss DKK
eloomi Ltd.	UK	Ltd	100	112,968	112,968
eloomi Inc	US	Inc	100	3,763	1,729

Parent income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Gross profit/loss		17,593,192	17,392,890
Staff costs	2	(49,412,048)	(37,829,743)
Depreciation, amortisation and impairment losses	3	(7,762,057)	(4,290,425)
Operating profit/loss		(39,580,913)	(24,727,278)
Income from investments in group enterprises		114,697	0
Other financial income	4	42,615	4,816
Other financial expenses		(287,653)	(534,454)
Profit/loss before tax		(39,711,254)	(25,256,916)
Tax on profit/loss for the year	5	2,909,624	1,783,025
Profit/loss for the year	6	(36,801,630)	(23,473,891)

Parent balance sheet at 30.06.2021

Assets

	Notes	2020/21 DKK	2019/20 DKK
Completed development projects	8	20,286,390	14,207,214
Acquired trademarks		183,147	105,228
Intangible assets	7	20,469,537	14,312,442
Other fixtures and fittings, tools and equipment		713,260	592,182
Leasehold improvements		1,102,767	987,347
Property, plant and equipment	9	1,816,027	1,579,529
Investments in group enterprises		115,323	0
Deposits		867,554	846,394
Financial assets	10	982,877	846,394
Fixed assets		23,268,441	16,738,365
Trade receivables		20,279,336	8,510,383
Receivables from group enterprises		2,169,805	0
Other receivables		24,888	51,829
Tax receivable		4,692,649	2,583,263
Prepayments	11	4,643,936	3,402,012
Receivables		31,810,614	14,547,487
Cash		209,856,589	36,584,964
Current assets		241,667,203	51,132,451
Assets		264,935,644	67,870,816

Equity and liabilities

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital		1,686,307	1,165,053
Reserve for net revaluation according to equity method		114,697	0
Reserve for development costs		15,353,823	10,612,066
Retained earnings		184,348,365	13,239,994
Equity		201,503,192	25,017,113
Other payables		5,247,660	3,420,040
Non-current liabilities other than provisions	12	5,247,660	3,420,040
Trade payables		7,954,744	3,397,842
Other payables		10,768,210	10,486,103
Deferred income	13	39,461,838	25,549,718
Current liabilities other than provisions		58,184,792	39,433,663
Liabilities other than provisions		63,432,452	42,853,703
Equity and liabilities		264,935,644	67,870,816
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	14		
Contingent assets	15		
Transactions with related parties	16		

Parent statement of changes in equity for 2020/21

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserve for development costs DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,165,052	0	10,612,066	13,239,994	25,017,112
Increase of capital	521,255	0	0	212,766,455	213,287,710
Transfer to reserves	0	0	4,741,757	(4,741,757)	0
Profit/loss for the year	0	114,697	0	(36,916,327)	(36,801,630)
Equity end of year	1,686,307	114,697	15,353,823	184,348,365	201,503,192

Notes to parent financial statements

1 Events after the balance sheet date

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

2 Staff costs

	2020/21 DKK	2019/20 DKK
Wages and salaries	52,277,002	39,978,293
Other social security costs	786,061	463,396
Other staff costs	2,475,540	2,139,698
	55,538,603	42,581,387
Staff costs classified as assets	(6,126,555)	(4,751,644)
	49,412,048	37,829,743
Average number of full-time employees	83	65

Special incentive programmes

The special incentive program for senior management and directors includes the possibility to exercise the warrants granted in case of an Exit Event as described in note 13 to the consolidated financial statements. As of 30 June 2021 the senior management and directors are granted with a total of 92,974 warrants.

The company have left out remuneration of management in accordance with the Danish Financial Act Statements § 98B, 3.

3 Depreciation, amortisation and impairment losses

	2020/21 DKK	2019/20 DKK
Amortisation of intangible assets	7,175,564	3,891,118
Depreciation on property, plant and equipment	653,445	396,108
Profit/loss from sale of intangible assets and property, plant and equipment	(66,952)	3,199
	7,762,057	4,290,425

4 Other financial income

	2020/21 DKK	2019/20 DKK
Financial income from group enterprises	42,558	0
Other interest income	57	4,816
	42,615	4,816

5 Tax on profit/loss for the year

	2020/21 DKK	2019/20 DKK
Current tax	(2,909,624)	(1,783,025)
	(2,909,624)	(1,783,025)

6 Proposed distribution of profit and loss

	2020/21 DKK	2019/20 DKK
Retained earnings	(36,801,630)	(23,473,891)
	(36,801,630)	(23,473,891)

7 Intangible assets

	Completed development projects DKK	Acquired trademarks DKK
Cost beginning of year	24,604,455	110,766
Additions	13,225,564	107,095
Cost end of year	37,830,019	217,861
Amortisation and impairment losses beginning of year	(10,397,241)	(5,538)
Amortisation for the year	(7,146,388)	(29,176)
Amortisation and impairment losses end of year	(17,543,629)	(34,714)
Carrying amount end of year	20,286,390	183,147

8 Development projects

Development projects consists of continuous development of the business platform the purpose of which is to attract new customers and 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.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,062,286	1,261,479
Additions	470,310	435,757
Disposals	0	(28,050)
Cost end of year	1,532,596	1,669,186
Depreciation and impairment losses beginning of year	(470,104)	(274,132)
Depreciation for the year	(349,232)	(304,213)
Reversal regarding disposals	0	11,926
Depreciation and impairment losses end of year	(819,336)	(566,419)
Carrying amount end of year	713,260	1,102,767

10 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	0	846,394
Additions	626	21,160
Cost end of year	626	867,554
Share of profit/loss for the year	114,697	0
Revaluations end of year	114,697	0
Carrying amount end of year	115,323	867,554

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

11 Prepayments

Prepayments is related to prepaid costs.

12 Non-current liabilities other than provisions

	Due after more than 12 months 2020/21 DKK
Other payables	5,247,660
	5,247,660

The outstanding amount after 5 years is DKK. 0.

13 Deferred income

Deferred income comprises payments relating to sales that are not recognised as income until in the subsequent financial year, when the recognition criteria are satisfied.

14 Unrecognised rental and lease commitments

	2020/21 DKK	2019/20 DKK
Total liabilities under rental or lease agreements until maturity	1,214,150	2,019,943

15 Contingent assets

The Entity has an unrecognized deferred tax asset of DKK 11,594 thousand.

16 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition

date, with net assets having been calculated at fair value.

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.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

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 in the 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 on a straight-line basis 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.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to

acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises 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.

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 cash in hand and bank deposits.

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.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital

and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.