

Lernen ApS
Skelbækgade 2-4, 5., 1717 Copenhagen

Company reg. no. 37 29 88 75

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 14 May 2020.

Christoffer Galbo
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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

Today, the board of directors and the executive board have presented the annual report of Leren ApS for the financial year 1 January - 31 December 2019 of Leren ApS.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 14 May 2020

Executive board

Till-Niklas Leinen

Bowen Thomas Moody

Board of directors

Stefano Zorzi

Till-Niklas Leinen

Simon Sylvest Rasmussen

Independent auditor's report

To the shareholders of Lernen ApS

Opinion

We have audited the financial statements of Lernen ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Emphasis of matter

Uncertainties as to recognition or measurement

We draw the attention to Note 2 to the financial statements which describes the uncertainties as to recognition or measurement. The emphasis of matter paragraph does not affect our audit opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 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 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 14 May 2020

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Michael Winther Rasmussen
State Authorised Public Accountant
mne28708

Jacob Helly Juell-Hansen
State Authorised Public Accountant
mne36169

Company information

The company

Lernen ApS
Skelbækgade 2-4, 5.
1717 Copenhagen

Company reg. no. 37 29 88 75
Domicile: Copenhagen
Financial year: 1 January 2019 - 31 December 2019

Board of directors

Stefano Zorzi
Till-Niklas Leinen
Simon Sylvest Rasmussen

Executive board

Till-Niklas Leinen
Bowen Thomas Moody

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

Founders A/S

Management commentary

The principal activities of the company

The company's primary activity is to develop software and sale the software for educational purposes and related business.

Development in activities and financial matters

The gross loss for the year totals tDKK -47 against tDKK -2.917 last year. Income or loss from ordinary activities after tax totals tDKK -522 against -DKK -.2708 last year.

The company has lost the entire share capital. Management expects that the share capital will be reestablished in full through future positive income or capital increases and has on this basis prepared the financial statements under the assumption of going concern.

Events occurring after the end of the financial year

The Corona crisis which has hit the world in March 2020 is expected to last at least until summer 2020 and will impact the world economy for a considerable time thereafter. Leren ApS do not expect to be affected by the crisis but cannot foresee this with any kind of certainty.

No further events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies

The annual report for Leren 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 annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement 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 incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Net financials

Net financials comprise interest and income expenses. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Receivables

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.

Cash on hand

Cash on hand comprise cash at bank and on hand.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Lernen ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Accounting policies

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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

Income statement 1 January - 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross loss	-47.460	-2.917
Other financial income	398.544	47
3 Other financial costs	<u>-645.415</u>	<u>-202</u>
Pre-tax net profit or loss	-294.331	-3.072
Tax on net profit or loss for the year	<u>-227.423</u>	<u>364</u>
Net profit or loss for the year	<u>-521.754</u>	<u>-2.708</u>
Proposed appropriation of net profit:		
Allocated from retained earnings	<u>-521.754</u>	<u>-2.708</u>
Total allocations and transfers	<u>-521.754</u>	<u>-2.708</u>

Statement of financial position at 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Non-current assets		
4 Equity investments in group enterprises	187.319	187
Amounts owed by group enterprises	5.303.964	1.992
Total investments	<u>5.491.283</u>	<u>2.179</u>
Total non-current assets	<u>5.491.283</u>	<u>2.179</u>
Current assets		
Amounts owed by group enterprises	0	41
Income tax receivables	0	365
Other receivables	74.107	77
Total receivables	<u>74.107</u>	<u>483</u>
Cash on hand	<u>193.690</u>	<u>767</u>
Total current assets	<u>267.797</u>	<u>1.250</u>
Total assets	<u>5.759.080</u>	<u>3.429</u>

Statement of financial position at 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

Equity and liabilities		<u>2019</u>	<u>2018</u>
<u>Note</u>			
	Equity		
5	Contributed capital	50.000	50
6	Retained earnings	<u>-3.236.153</u>	<u>-2.714</u>
	Total equity	<u>-3.186.153</u>	<u>-2.664</u>
	Liabilities other than provisions		
	Subordinate loan capital	<u>8.932.233</u>	<u>6.047</u>
	Total long term liabilities	<u>8.932.233</u>	<u>6.047</u>
	Trade payables	<u>13.000</u>	<u>46</u>
	Total short term liabilities	<u>13.000</u>	<u>46</u>
	Total liabilities	<u>8.945.233</u>	<u>6.093</u>
	Total equity and liabilities	<u>5.759.080</u>	<u>3.429</u>

- 1** Uncertainties concerning the enterprise's ability to continue as a going concern
- 2** Uncertainties concerning recognition and measurement
- 7** Contingencies

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

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

The company has lost the entire share capital. Management expects that the share capital will be reestablished in full through future positive income or capital increases and has on this basis prepared the financial statements under the assumption of going concern.

2. Uncertainties concerning recognition and measurement

In the 2019 financial statements for Leren ApS the investments in group enterprises has a book value of 187 TDKK, carried at cost. We believe that the investment is exposed to uncertainties regarding the measurement.

We also have non-current receivables of 5.304 TDKK from the company.

The cause of the uncertainty are the binary factors of the company's expected success and risk of failure, which is considered to be normal in early stage startups.

Leren ApS is currently working alongside the company and the co-founders to obtain further investments.

If the company is successful in getting further investments, the individual value is expected to exceed their respective current book values. However, if the company fails to get further investments the value is expected to be less than the current book value. As we have no direct indications or expect that the company will fail in getting further investments, we do believe that it is true and fair not to make write downs or provisions for losses.

	<u>2019</u>	<u>2018</u>
3. Other financial costs		
Financial costs, group enterprises	644.824	198
Other financial costs	591	4
	<u>645.415</u>	<u>202</u>

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

	<u>31/12 2019</u>	<u>31/12 2018</u>
4. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2019	187.319	0
Additions during the year	<u>0</u>	<u>187</u>
Cost 31 December 2019	<u>187.319</u>	<u>187</u>
Carrying amount, 31 December 2019	<u>187.319</u>	<u>187</u>
5. Contributed capital		
Contributed capital 1 January 2019	<u>50.000</u>	<u>50</u>
	<u>50.000</u>	<u>50</u>
6. Retained earnings		
Retained earnings 1 January 2019	-2.714.399	-6
Profit or loss for the year brought forward	<u>-521.754</u>	<u>-2.708</u>
	<u>-3.236.153</u>	<u>-2.714</u>

7. Contingencies

Joint taxation

With Founders A/S, company reg. no 34 59 84 60 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.