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BDO Statsautoriseret revisionsaktieselskab
Kystvejen 29
DK-8000 Aarhus C
CVR no. 20 22 26 70

**GEKKOBRAIN APS**

**C/O GRANT THORNTON, STOCKHOLMSGADE 45, 2100 KØBENHAVN Ø**

# ANNUAL REPORT

**1 JANUARY - 31 DECEMBER 2021**

**The Annual Report has been presented and adopted at the Company's Annual General Meeting on 30 June 2022**

**Mark Aidan Cockerill**

**CVR NO. 37 33 14 81**

# CONTENTS

## COMPANY DETAILS

| | | |
|---|---|---|
| **Company** | Gekkobrain ApS<br>c/o Grant Thornton, Stockholmsgade 45<br>2100 Copenhagen Ø | |
| | CVR No.: | 37 33 14 81 |
| | Established: | 29 December 2015 |
| | Municipality: | Copenhagen |
| | Financial Year: | 1 January - 31 December |
| **Executive Board** | Mark Aidan Cockerill | |
| **Auditor** | BDO Statsautoriseret revisionsaktieselskab<br>Kystvejen 29<br>8000 Aarhus C | |

**MANAGEMENT'S STATEMENT**

Today the Executive Board have discussed and approved the Annual Report of Gekkobrain ApS for the financial year 1 January - 31 December 2021.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

The Management Commentary includes in my opinion a fair presentation of the matters dealt with in the Commentary.

I recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 30 June 2022

Executive Board

____________________________
Mark Aidan Cockerill

## THE INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of Gekkobrain ApS**

**Conclusion**
We have performed an extended review of the Financial Statements of Gekkobrain ApS for the financial year 1 January - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

**Basis for Conclusion**
We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Management's Responsibilities for the Financial Statements**
Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such Internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Extended Review of the Financial Statements**
Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

**Statement on the Management Commentary**
Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

## THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review 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 during the extended review, 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 in the Management Commentary.

Aarhus, 30 June 2022

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Klaus Tvede-Jensen
State Authorised Public Accountant
MNE no. mne23304

## MANAGEMENT COMMENTARY

**Principal activities**
The principal activities comprise is to develop and operate software solutions for the B2B market, which are offered as cloudbased services as well as all companies that, in the opinion of the executive borad are connected to this.

The Company was acquired by ServiceNow Denmark ApS on October 25, 2021. All the employees of Gekkobrain have been moved to ServiceNow Denmark ApS and the Company is expected to terminate its operations once the obligations under the existing customer contracts are completed by end of the year 2022.

**Significant events after the end of the financial year**
Subsequent to the year-end, the Company has sold its intellectual property (IP) to ServiceNow group companies.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

| | Note | 2021<br>DKK | 2020<br>DKK |
|---|---|---|---|
| **GROSS PROFIT** | | **3,095,100** | **2,602,934** |
| Staff costs | 1 | -2,317,541 | -3,478,188 |
| Depreciation, amortisation and impairment losses | | -6,787,589 | -1,521,322 |
| **OPERATING LOSS** | | **-6,010,030** | **-2,396,576** |
| Other financial income | | 13,656 | 18,747 |
| Other financial expenses | 2 | -406,849 | -63,063 |
| **LOSS BEFORE TAX** | | **-6,403,223** | **-2,440,892** |
| Tax on profit/loss for the year | 3 | 526,000 | 714,809 |
| **LOSS FOR THE YEAR** | | **-5,877,223** | **-1,726,083** |

## PROPOSED DISTRIBUTION OF PROFIT

| | | | |
|---|---|---|---|
| Retained earnings | | -5,877,223 | -1,726,083 |
| **TOTAL** | | **-5,877,223** | **-1,726,083** |

## BALANCE SHEET AT 31 DECEMBER

| ASSETS | Note | 2021<br>DKK | 2020<br>DKK |
|---|---|---|---|
| Development projects completed |  | 0 | 4,283,403 |
| **Intangible assets** | 4 | **0** | **4,283,403** |
| Other plant, machinery tools and equipment |  | 0 | 41,243 |
| **Property, plant and equipment** | 5 | **0** | **41,243** |
| Rent deposit and other receivables |  | 53,550 | 53,550 |
| **Financial non-current assets** | 6 | **53,550** | **53,550** |
| **NON-CURRENT ASSETS** |  | **53,550** | **4,378,196** |
| Trade receivables |  | 169,815 | 1,589,334 |
| Corporation tax receivable |  | 0 | 591,846 |
| **Receivables** |  | **169,815** | **2,181,180** |
| **Cash and cash equivalents** |  | **441,912** | **119,090** |
| **CURRENT ASSETS** |  | **611,727** | **2,300,270** |
| **ASSETS** |  | **665,277** | **6,678,466** |
| **EQUITY AND LIABILITIES** |  |  |  |
| Share capital |  | 107,527 | 2,603,813 |
| Share Premium |  | 2,496,285 | 1,978,226 |
| Reserve for development costs |  | 0 | 2,421,413 |
| Retained earnings |  | -5,857,432 | -4,379,850 |
| **EQUITY** |  | **-3,253,620** | **2,623,602** |
| Provision for deferred tax |  | 0 | 526,000 |
| **PROVISIONS** |  | **0** | **526,000** |
| Debt to mortgage credit institution |  | 0 | 1,250,000 |
| Other non-current liabilities |  | 0 | 430,902 |
| **Non-current liabilities** | 7 | **0** | **1,680,902** |
| Bank debt |  | 0 | 236,792 |
| Trade payables |  | 94,846 | 40,473 |
| Debt to Group companies |  | 2,420,886 | 0 |
| Other liabilities |  | 1,403,165 | 927,538 |
| Deferred income |  | 0 | 643,159 |
| **Current liabilities** |  | **3,918,897** | **1,847,962** |
| **LIABILITIES** |  | **3,918,897** | **3,528,864** |
| **EQUITY AND LIABILITIES** |  | **665,277** | **6,678,466** |
| **Contingencies etc.** | 8 |  |  |

## EQUITY

| | Share capital | Share Premium | Reserve for development costs | Retained earnings | Total |
|---|---|---|---|---|---|
| Equity at 1 January 2021.................... | 107,527 | 2,496,285 | 3,341,054 | -3,321,263 | 2,623,603 |
| Proposed profit allocation.................. | | | | -5,877,223 | -5,877,223 |
| **Transfers** | | | | | |
| Allowed equalization......................... | | | -3,341,054 | 3,341,054 | 0 |
| **Equity at 31 December 2021.............** | **107,527** | **2,496,285** | **0** | **-5,857,432** | **-3,253,620** |

## NOTES

| | | | Note |
|---|---|---|---|
| **Staff costs** | | | **1** |
| Average number of employees | 6 | 6 | |
| | | | |
| Wages and salaries | 3,873,885 | 4,022,374 | |
| Pensions | 418,366 | 425,271 | |
| Social security costs | 50,795 | 45,447 | |
| Other staff costs | 3,133 | 34,888 | |
| Other staff costs | -2,028,638 | -1,049,792 | |
| | **2,317,541** | **3,478,188** | |

| | | | |
|---|---|---|---|
| **Other financial expenses** | | | **2** |
| Other interest expenses | 406,849 | 63,063 | |
| | **406,849** | **63,063** | |

| | | | |
|---|---|---|---|
| **Tax on profit/loss for the year** | | | **3** |
| Calculated tax on taxable income of the year | 0 | -714,809 | |
| Adjustment of deferred tax | -526,000 | 0 | |
| | **-526,000** | **-714,809** | |

**Intangible assets** **4**

| | Development projects completed |
|---|---|
| Cost at 1 January 2021 | 7,555,895 |
| Additions | 2,462,943 |
| **Cost at 31 December 2021** | **10,018,838** |
| | |
| Amortisation at 1 January 2021 | 3,272,492 |
| Impairment losses | 5,577,482 |
| Amortisation for the year | 1,168,864 |
| **Amortisation at 31 December 2021** | **10,018,838** |
| | |
| **Carrying amount at 31 December 2021** | **0** |

Finished development projects consist of a software platform for use in visualizing SAP processes and optimization.

## NOTES

Note

### Property, plant and equipment 5

| | Other plant, machinery tools and equipment |
|---|---|
| Cost at 1 January 2021 | 53,053 |
| Disposals | -53,053 |
| **Cost at 31 December 2021** | **0** |
| Depreciation and impairment losses at 1 January 2021 | 11,810 |
| Impairment losses | -22,421 |
| Depreciation for the year | 10,611 |
| **Depreciation and impairment losses at 31 December 2021** | **0** |
| **Carrying amount at 31 December 2021** | **0** |

### Financial non-current assets 6

| | Rent deposit and other receivables |
|---|---|
| Cost at 1 January 2021 | 53,550 |
| **Cost at 31 December 2021** | **53,550** |
| **Carrying amount at 31 December 2021** | **53,550** |

### Long-term liabilities 7

| | 31/12 2021 total liabilities | Repayment next year | Debt outstanding after 5 years | 31/12 2020 total liabilities |
|---|---|---|---|---|
| Debt to mortgage credit institution | 0 | 0 | 0 | 1,250,000 |
| Other non-current liabilities | 0 | 0 | 0 | 430,902 |
| | **0** | **0** | **0** | **1,680,902** |

### Contingencies etc. 8

**Joint liabilities**
The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group’s joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group’s joint taxable income is stated in the annual report of ServiceNow Denmark ApS, which serves as management Company for the joint taxation.

## ACCOUNTING POLICIES

The Annual Report of Gekkobrain ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

### Other operating income
Other operating income includes items of a secondary nature in relation to the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

### Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts,  lease expenses, etc

### Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

### Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

### Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

## BALANCE SHEET

### Intangible fixed assets
Intellectual property rights, etc. includes completed development projects with associated intangibles rights, acquired intellectual property rights and prepayments for intangible assets.

## ACCOUNTING POLICIES

Development projects concerning products and processes that are clearly defined and identifiable, where the technical utilization rate, sufficient resources and a potential future market or development opportunity in the company can be demonstrated and where the intention is to manufacture, market or use the product or process in question are recognized as intangible assets. Other development costs are recognized as costs in the income statement when the costs are borne. When recognizing development projects as intangible assets, a amounts corresponding to the costs incurred less deferred tax on equity below reserve for development costs that are reduced in line with depreciation and write-downs on development projects.

The cost of development projects includes costs, including salaries and depreciation, that directly and can be indirectly attributed to the development projects.

Completed development projects are depreciated on a straight-line basis over the expected useful life, which is determined on the basis of a concrete assessment of the individual development project. If the service life can not be estimated reliably, it is set at 10 years. For development projects protected by intellectual property rights the maximum depreciation period the remaining term of the rights in question. They used depreciation periods amount to 5 years.

Intellectual property rights, etc. is written down to recoverable amount if it is lower than that carrying amount.

**Tangible fixed assets**
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

| | Useful life | Residual value |
|---|---|---|
| Other plant, fixtures and equipment............................................. | 5 years | 0 % |

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

**Fixed asset investments**
Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

## ACCOUNTING POLICIES

**Impairment of fixed assets**
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

**Receivables**
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

**Tax payable and deferred tax**
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

**Liabilities**
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

**Accruals, liabilities**
Accruals recognised as liabilities include payments received regarding income in subsequent years.