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# ***SDGlead ApS***

Søndre Jernbanevej 18 D.3., DK-3400 Hillerød

## **Annual Report for 2019**

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CVR No 37 38 55 22

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
22/6 2020

Anne-Louise Thon-Jensen  
Chairman of the General  
Meeting



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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of SDGlead ApS for the financial year 1 January - 31 December 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Hillerød, 22 June 2020

### **Executive Board**

Anne-Louise Thon-Jensen

# Practitioner's Statement on Compilation of Financial Statements

To the Management of SDGlead ApS

We have compiled the Financial Statements of SDGlead ApS for the financial year 1 January - 31 December 2019 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 22 June 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Troels Majlund Harder

statsautoriseret revisor

mne35685

## **Company Information**

### **The Company**

SDGlead ApS  
Søndre Jernbanevej 18 D.3.  
DK-3400 Hillerød

CVR No: 37 38 55 22  
Financial period: 1 January - 31 December  
Incorporated: 7 January 2016  
Municipality of reg. office: Hillerød

### **Executive Board**

Anne-Louise Thon-Jensen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>2.073.200</b>	<b>1.439.830</b>
Staff expenses	2	-1.669.062	-1.341.381
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-55.961	-24.980
<b>Profit/loss before financial income and expenses</b>	3	<b>348.177</b>	<b>73.469</b>
Financial income		111	56
Financial expenses		-70.131	-3.746
<b>Profit/loss before tax</b>		<b>278.157</b>	<b>69.779</b>
Tax on profit/loss for the year	4	-65.942	26.264
<b>Net profit/loss for the year</b>		<b>212.215</b>	<b>96.043</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year	54.000	25.000
Retained earnings	158.215	71.043
	<b>212.215</b>	<b>96.043</b>

# Balance Sheet 31 December

## Assets

	Note	2019 DKK	2018 DKK
Completed development projects		203.628	115.211
<b>Intangible assets</b>	5	<b>203.628</b>	<b>115.211</b>
Other fixtures and fittings, tools and equipment		19.197	8.001
<b>Property, plant and equipment</b>		<b>19.197</b>	<b>8.001</b>
Other investments		0	64.513
<b>Fixed asset investments</b>		<b>0</b>	<b>64.513</b>
<b>Fixed assets</b>		<b>222.825</b>	<b>187.725</b>
Trade receivables		176.312	487.805
Receivables from group enterprises		24.250	10.000
Deferred tax asset		0	26.264
Corporation tax		0	23.000
Prepayments		0	595
<b>Receivables</b>		<b>200.562</b>	<b>547.664</b>
<b>Cash at bank and in hand</b>		<b>365.720</b>	<b>6.889</b>
<b>Currents assets</b>		<b>566.282</b>	<b>554.553</b>
<b>Assets</b>		<b>789.107</b>	<b>742.278</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		50.000	50.000
Reserve for development costs		158.830	89.864
Retained earnings		96.612	7.363
Proposed dividend for the year		54.000	25.000
<b>Equity</b>	6	<b>359.442</b>	<b>172.227</b>
Provision for deferred tax		39.678	0
<b>Provisions</b>		<b>39.678</b>	<b>0</b>
Other payables		40.187	0
<b>Long-term debt</b>	7	<b>40.187</b>	<b>0</b>
Trade payables		146.856	269.142
Payables to owners and Management		0	85.455
Other payables	7	202.944	215.454
<b>Short-term debt</b>		<b>349.800</b>	<b>570.051</b>
<b>Debt</b>		<b>389.987</b>	<b>570.051</b>
<b>Liabilities and equity</b>		<b>789.107</b>	<b>742.278</b>
Key activities	1		
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# Notes to the Financial Statements

## 1 Key activities

The consultancy works with private investors, companies and public sector in the area of impact, sustainability and business ethics.

	<u>2019</u> DKK	<u>2018</u> DKK
<b>2 Staff expenses</b>		
Wages and salaries	1.600.616	1.279.618
Other social security expenses	12.062	11.830
Other staff expenses	<u>56.384</u>	<u>49.933</u>
	<b><u>1.669.062</u></b>	<b><u>1.341.381</u></b>
<b>Average number of employees</b>	<b><u>4</u></b>	<b><u>3</u></b>
<b>3 Special items</b>		
Debt reduction	<u>0</u>	<u>-208.111</u>
	<b><u>0</u></b>	<b><u>-208.111</u></b>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	0	0
Deferred tax for the year	<u>65.942</u>	<u>-26.264</u>
	<b><u>65.942</u></b>	<b><u>-26.264</u></b>

# Notes to the Financial Statements

## 5 Intangible assets

	Completed development projects DKK
Cost at 1 January	132.190
Additions for the year	132.538
Cost at 31 December	<u>264.728</u>
Impairment losses and amortisation at 1 January	16.979
Amortisation for the year	44.121
Impairment losses and amortisation at 31 December	<u>61.100</u>
<b>Carrying amount at 31 December</b>	<b><u>203.628</u></b>

Development project regarding development of the company's scoring card database system and platform used for analyzing and scoring companies' sustainability transformation for the financial sector. The development project was concluded in 2018/2019 and the project is expected to contribute to the company's positive earnings until 2023.

## 6 Equity

	Share capital DKK	Reserve for development costs DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity at 1 January	50.000	89.864	7.363	25.000	172.227
Ordinary dividend paid	0	0	0	-25.000	-25.000
Development costs for the year	0	68.966	-68.966	0	0
Net profit/loss for the year	0	0	158.215	54.000	212.215
<b>Equity at 31 December</b>	<b><u>50.000</u></b>	<b><u>158.830</u></b>	<b><u>96.612</u></b>	<b><u>54.000</u></b>	<b><u>359.442</u></b>

# Notes to the Financial Statements

## 7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

### Other payables

Between 1 and 5 years	40.187	0
Long-term part	<u>40.187</u>	<u>0</u>
Other short-term payables	202.944	215.454
	<u><b>243.131</b></u>	<u><b>215.454</b></u>

## 8 Contingent assets, liabilities and other financial obligations

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of A. Schur Holding IVS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of SDGlead ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2019 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Income Statement

#### Revenue

Revenue from services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

#### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with A. Schur Holding IVS. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Intangible assets

#### *Development projects*

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item "Reserve for development costs". The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 4 years.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	4	years
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Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,800 are expensed in the year of acquisition.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Fixed asset investments

Fixed asset investments consist of deposits and investments in shares.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Equity

#### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

#### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.