



## **Forenom ApS**

Amager Strandvej 390, 1.

2770 Kastrup

CVR No. 37401498

## **Annual report**

1 January 2020 - 31 December 2020

5. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 14 July 2021

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Markku Johannes Kangas  
Chairman

**Forenom ApS**

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**Forenom ApS**

## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Forenom ApS for the financial year 1 January 2020 - 31 December 2020.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Kastrup, 14 July 2021

### **Executive Board**

Lars Brejner Dissing  
Man. Director

### **Supervisory Board**

Markku Johannes Kangas  
Chairman

Veli Matti Packalén  
Member

## Independent Auditors' Report

### To the shareholders of Forenom ApS

#### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2020 and of the results of its operations for the financial year 1 January 2020 - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Forenom ApS for the financial year 1 January 2020 - 31 December 2020, which comprise an income statement, balance sheet, statement of changes in equity, cash flows and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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.

#### Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

#### Management's responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

#### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements

## **Independent Auditors' Report**

can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 Company's internal control.
- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control which we identify during our audit.

Copenhagen, 14 July 2021

**PRICEWATERHOUSECOOPERS**  
**STATSAUTORISERET REVISIONSPARTNERSELSKAB**  
CVR-no. 33771231

Ulrik Ræbild  
State Authorised Public Accountant  
mne33262

Maj-Britt Nørskov Nannestad  
State Authorised Public Accountant  
mne32198

## Management's Review

### The Company's principal activities

The company's principal activities consist in running hotel and other subletting of rooms and homes.

### Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -10.564.184 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 12.641.567 and an equity of DKK -25.293.835.

The year 2020 was heavily impacted in the negative direction concerning the white collar segment. The blue-collar segment improved during the year. In total revenue increased vs. previous years.

The company invested during 2020 in returning too expensive housing in Copenhagen replacing these with cheaper. The cost of returning housing impacted cost level in 2020.

### Capital adequacy

The Company has a negative equity at the end of the financial year 2020.

The Company has received a Letter of Financial Support and subordination from its parent company, Forenom Oy insuring the required funding of its future operations up to 31 December 2021. Furthermore the Parent Company will subordinate their receivables in favour of other creditors of the Company.

### Capital resources

For information regarding the company's capital resources, see statement in note 1.

### Expectations for the year ahead

The Company's outlook for the future will be negatively affected by the Covid-19 outbreak continuing into 2021.

Even the negative impact from Corona then The Company plan to deliver a larger growth in revenue both 2021 and following years. The result for The Company will during the same period improve to be a small negative result. The result for 2021 is expected to be approximately - 3 mio DKK

The company expect the market to grow in general during the coming years.

### Unusual events

Recognition of trade receivables and other receivables for previous years has been corrected during the year. Please refer to the accounting policies for a description thereof.

### Subsequent event

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

## Forenom ApS

### Accounting Policies

#### Reporting Class

The Annual Report of Forenom ApS for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with selection of few provisions from reporting class C.

The accounting policies applied remain unchanged from last year.

#### Correction of fundamental errors regarding previous year

During the year, the company has discovered that some receivables related to deposits and prepaid rent have not been written down by payments. This has resulted in adjustments, which have the following consequences:

- Other short-term receivables per 1.1.2019 was overstated with DKK 785,733.
- Misstatement in other short-term receivables has been corrected in the annual report for 2020 by reducing other short-term receivables and equity as per 1.1.2019 in the amount of DKK 785,733.
- The misstatement has reduced profit for the year 2019, other short-term receivables and equity as per 31.12.2019 by DKK 866,862.
- Misstatements previous years reduces the equity in the total amount of DKK 1,652,596.
- The corrections have no effect on the annual report for 2020.

#### Reporting currency

The Annual Report is presented in Danish kroner.

#### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

### Income Statement

#### Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, other operating income, property expenses and other external expenses.

#### Revenue

Revenue from the rental of properties is recognised in the income statement for the relevant period. Revenue is measured at fair value and determined exclusive of VAT and discounts.

#### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including compensations related to COVID-19.

## Accounting Policies

### Property expenses

Expenses relating to the operation and maintenance of properties, including insurance, direct and indirect taxes, service subscriptions, cleaning and property service.

### Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, bad debts, payment under operating leasing costs, etc.

### Employee expenses

Employee expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other employee expenses are recognised in other external expenses.

### Amortisation and impairment of tangible assets

Amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	<b>Useful life</b>	<b>Residual value</b>
Other fixtures and fittings, tools and equipment	3-10 years	0%

Profit or loss resulting from the sale of tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

### Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding accounts payable and transactions in foreign currencies.

### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.



## **Accounting Policies**

### **Balance Sheet**

#### **Tangible assets**

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

#### **Deposits**

Deposits are measured at cost.

#### **Receivables**

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

#### **Prepayments, assets**

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank.

#### **Equity**

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

## Accounting Policies

### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Forenom ApS

### Income Statement

	Note	2020 DKK	2019 DKK
<b>Gross profit</b>	2	<b>-114.345</b>	<b>-2.839.923</b>
Employee benefits expense	3	-8.074.693	-7.165.401
Depreciation, amortisation expense and impairment losses of equipment recognised in profit or loss		-1.441.309	-1.289.611
<b>Profit from ordinary operating activities</b>		<b>-9.630.347</b>	<b>-11.294.935</b>
Other finance income		69.594	0
Finance expenses arising from group enterprises		-1.060.649	-793.858
Other finance expenses		-88.181	-27.558
<b>Profit from ordinary activities before tax</b>		<b>-10.709.583</b>	<b>-12.116.351</b>
Tax expense on ordinary activities	4	145.399	-508.612
<b>Profit</b>		<b>-10.564.184</b>	<b>-12.624.963</b>
<b>Proposed distribution of results</b>			
Retained earnings		-10.564.184	-12.624.963
<b>Distribution of profit</b>		<b>-10.564.184</b>	<b>-12.624.963</b>

**Forenom ApS****Balance Sheet as of 31 December**

	<b>Note</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
<b>Assets</b>			
Fixtures, fittings, tools and equipment		3.438.992	4.275.102
<b>Property, plant and equipment</b>		<b>3.438.992</b>	<b>4.275.102</b>
<b>Fixed assets</b>		<b>3.438.992</b>	<b>4.275.102</b>
Short-term trade receivables		4.963.457	6.403.215
Other short-term receivables		2.368.457	2.672.584
Prepayments		1.870.661	1.673.619
<b>Receivables</b>		<b>9.202.575</b>	<b>10.749.418</b>
<b>Current assets</b>		<b>9.202.575</b>	<b>10.749.418</b>
<b>Assets</b>		<b>12.641.567</b>	<b>15.024.520</b>

Forenom ApS

Balance Sheet as of 31 December

	Note	2020 DKK	2019 DKK
<b>Liabilities and equity</b>			
Contributed capital		50.000	50.000
Retained earnings		-25.343.835	-14.779.651
<b>Equity</b>		<b>-25.293.835</b>	<b>-14.729.651</b>
Provisions for deferred tax		0	145.399
<b>Provisions</b>		<b>0</b>	<b>145.399</b>
Payables to group enterprises		0	3.224.098
Other payables		423.219	251.767
<b>Long-term liabilities other than provisions</b>	5	<b>423.219</b>	<b>3.475.865</b>
Prepayments received from customers		2.587.095	3.021.264
Trade payables		820.438	2.957.862
Payables to group enterprises		23.367.481	16.311.966
Other payables		10.737.169	3.841.815
<b>Short-term liabilities other than provisions</b>		<b>37.512.183</b>	<b>26.132.907</b>
<b>Liabilities other than provisions within the business</b>		<b>37.935.402</b>	<b>29.608.772</b>
<b>Liabilities and equity</b>		<b>12.641.567</b>	<b>15.024.520</b>
Contingent assets	6		
Contingent liabilities	7		
Collaterals and assets pledges as security	8		
Related parties	9		

## Forenom ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2020	50.000	-13.127.055	-13.077.055
Changes of equity through corrections of errors	0	-1.652.596	-1.652.596
<b>Adjusted equity 1 January 2020</b>	<b>50.000</b>	<b>-14.779.651</b>	<b>-14.729.651</b>
Profit (loss)	0	-10.564.184	-10.564.184
<b>Equity 31 December 2020</b>	<b>50.000</b>	<b>-25.343.835</b>	<b>-25.293.835</b>

The share capital has remained unchanged for the last 5 years.

## Notes

### 1. Capital resources

Management works continuously to improve and optimize the company's operations and financial performance. It is management's expectation that the company realizes the prepared budget for 2021. In order for the company to meet its liabilities as they fall due the parent company Forenom Oy have issued a Letter of support to the company. The letter of support from Forenom Oy is valid until and including 31 December 2021 and states that Forenom Oy will provide the necessary liquidity.

Based on this management considers the company's capital resources to be sufficient for the company to meet its obligations up to and including 31 December 2021.

	2020	2019
<b>2. Special items</b>		
Covid-19 salary compensation	687.188	0
<b>Balance at the end of the year</b>	<b>687.188</b>	<b>0</b>

### 3. Employee benefits expense

Wages and salaries	7.942.719	7.090.182
Social security contributions	131.974	75.219
	<b>8.074.693</b>	<b>7.165.401</b>

Average number of employees	18	17
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### 4. Tax expense

Change in deferred tax asset	-145.399	508.612
	<b>-145.399</b>	<b>508.612</b>

### 5. Long-term liabilities

	Debt per 31 December	Due within 1 year	Due after 5 years
Other payables	423.219	0	423.219
	<b>423.219</b>	<b>0</b>	<b>423.219</b>

### 6. Contingent assets

Deferred tax asset of DKK 5,535k primarily consists of tax loss carry forward. As it is uncertain if the tax loss carry forward can be utilised in the next 2-3 years, the deferred tax asset has been written down to DKK 0.

### 7. Contingent liabilities

The company has lease obligations, period of non-terminability, of total DKK 6.709.545 (2019 DKK 7.937.136)

### 8. Collaterals and securities

Forenom ApS has provided bank guarantees for 0.5 mDKK as part of its normal operations.

### 9. Related parties

The company is reflected in the group report as the parent company Forenom OY, Mannerheimintie 113, SF-00280 Helsinki, Finland.