



Gatehouse Maritime A/S

Strømmen 6
9400 Nørresundby
CVR No. 37439568

Annual report 01.10.2020 - 30.09.2021

The Annual General Meeting adopted the
annual report on 03.02.2022

Jakob Axel Nielsen

Chairman of the General Meeting

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Entity details

Entity

Gatehouse Maritime A/S

Strømmen 6

9400 Nørresundby

Business Registration No.: 37439568

Registered office: Aalborg

Financial year: 01.10.2020 - 30.09.2021

Board of Directors

Michael Bondo Andersen, Chairman

Jakob Axel Nielsen, Vice chairman

Nina Christiane Movin, Board member

Mads Peter Lübeck, Board member

Søren Bondo Andersen, Board member

Petar Popovski, Board member

Denis Viet-Jacobsen, Board member

Executive Board

Martin Dommerby Kristiansen, CEO

Kenney Schmidt Christiansen, direktør

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Gatehouse Maritime A/S for the financial year 01.10.2020 - 30.09.2021.

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 Entity's financial position at 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021.

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.

Aalborg, 14.12.2021

Executive Board

Martin Dommerby Kristiansen
CEO

Kenney Schmidt Christiansen
direktør

Board of Directors

Michael Bondo Andersen
Chairman

Jakob Axel Nielsen
Vice chairman

Nina Christiane Movin
Board member

Mads Peter Lübeck
Board member

Søren Bondo Andersen
Board member

Petar Popovski
Board member

Denis Viet-Jacobsen
Board member

Independent auditor's report

To the shareholders of Gatehouse Maritime A/S

Opinion

We have audited the financial statements of Gatehouse Maritime A/S for the financial year 01.10.2020 - 30.09.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021 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 financial statements" section of this auditor's report. We are independent of the Entity 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 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 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 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 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 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 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 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.

Aalborg, 14.12.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Birner Sørensen

State Authorised Public Accountant
Identification No (MNE) mne11671

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	14,124	10,666	11,053	9,756	8,434
Operating profit/loss	(1,593)	1,055	1,315	2,233	1,523
Net financials	(105)	(195)	(38)	(55)	(54)
Profit/loss for the year	(1,489)	74	274	867	751
Total assets	27,429	9,890	10,176	10,294	10,147
Equity	15,808	5,541	5,320	6,670	5,895
Ratios					
Return on equity (%)	(13.95)	1.36	4.57	13.80	13.56
Equity ratio (%)	57.63	56.03	52.28	64.80	58.10

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 (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

The objective and activity of the company is to provide market-leading software solutions for end-to-end ocean visibility and predictability for numerous markets.

Description of material changes in activities and finances

The company has realised a net loss of DKK 1,489k. On 30 September 2021, equity totals DKK 15,808k and the solvency ratio stands at 57,63%.

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.

Income statement for 2020/21

	Notes	2020/21 DKK'000	2019/20 DKK'000
Gross profit/loss		14,124	10,666
Staff costs	1	(15,717)	(9,611)
Operating profit/loss		(1,593)	1,055
Income from investments in group enterprises		(418)	(608)
Other financial income	2	32	39
Other financial expenses		(137)	(234)
Profit/loss before tax		(2,116)	252
Tax on profit/loss for the year		627	(178)
Profit/loss for the year		(1,489)	74
Proposed distribution of profit and loss			
Retained earnings		(1,489)	74
Proposed distribution of profit and loss		(1,489)	74

Balance sheet at 30.09.2021

Assets

	Notes	2020/21 DKK'000	2019/20 DKK'000
Completed development projects	4	0	0
Development projects in progress	4	4,588	0
Intangible assets	3	4,588	0
Investments in group enterprises		0	0
Financial assets	5	0	0
Fixed assets		4,588	0
Trade receivables		988	878
Contract work in progress	6	1,034	0
Receivables from group enterprises		5,674	8,827
Deferred tax		402	8
Other receivables		1,835	39
Joint taxation contribution receivable		804	0
Prepayments		0	47
Receivables		10,737	9,799
Cash		12,104	91
Current assets		22,841	9,890
Assets		27,429	9,890

Equity and liabilities

	Notes	2020/21 DKK'000	2019/20 DKK'000
Contributed capital		694	500
Reserve for fair value adjustments of hedging instruments		(244)	0
Reserve for development expenditure		3,578	0
Retained earnings		11,780	5,041
Equity		15,808	5,541
Deferred tax		502	0
Other provisions		100	300
Provisions		602	300
Joint taxation contribution payable		0	232
Other payables		3,670	661
Non-current liabilities other than provisions	7	3,670	893
Bank loans		0	61
Prepayments received from customers		2,271	1,737
Contract work in progress	6	185	0
Trade payables		1,911	258
Payables to group enterprises		875	501
Joint taxation contribution payable		232	266
Other payables		1,875	333
Current liabilities other than provisions		7,349	3,156
Liabilities other than provisions		11,019	4,049
Equity and liabilities		27,429	9,890
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Statement of changes in equity for 2020/21

	Contributed capital DKK'000	Share premium DKK'000	Reserve for fair value adjustments of hedging instruments DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000
Equity beginning of year	500	0	0	0	5,041
Increase of capital	194	11,806	0	0	0
Transferred from share premium	0	(11,806)	0	0	11,806
Fair value adjustments of hedging instruments	0	0	(313)	0	0
Tax of entries on equity	0	0	69	0	0
Transfer to reserves	0	0	0	3,578	(3,578)
Profit/loss for the year	0	0	0	0	(1,489)
Equity end of year	694	0	(244)	3,578	11,780

	Total DKK'000
Equity beginning of year	5,541
Increase of capital	12,000
Transferred from share premium	0
Fair value adjustments of hedging instruments	(313)
Tax of entries on equity	69
Transfer to reserves	0
Profit/loss for the year	(1,489)
Equity end of year	15,808

Notes

1 Staff costs

	2020/21 DKK'000	2019/20 DKK'000
Wages and salaries	15,065	8,904
Pension costs	583	659
Other social security costs	28	34
Other staff costs	41	14
	15,717	9,611
Average number of full-time employees	15	9

2 Other financial income

	2020/21 DKK'000	2019/20 DKK'000
Financial income from group enterprises	32	38
Other interest income	0	1
	32	39

3 Intangible assets

	Completed development projects DKK'000	Development projects in progress DKK'000
Cost beginning of year	14,600	0
Additions	0	4,588
Cost end of year	14,600	4,588
Amortisation and impairment losses beginning of year	(14,600)	0
Amortisation and impairment losses end of year	(14,600)	0
Carrying amount end of year	0	4,588

4 Development projects

Completed development projects

Completed development projects comprise finished projects which support the company's continued performance.

Development projects in progress

Development projects in progress comprise the project:

Development of an AI predictive platform. The product will be brought into usage in 2022.

Cost for the project is internal wages and external expenses.

The management has performed impairment test of the carrying amount of the development project. The project is estimated to contribute to future positive cashflow and are upon completion expected to be a large part of the primary activities.

5 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	166
Cost end of year	166
Impairment losses beginning of year	(166)
Share of profit/loss for the year	(418)
Investments with negative equity value depreciated over receivables	418
Impairment losses end of year	(166)
Carrying amount end of year	0

6 Contract work in progress

	2020/21 DKK'000	2019/20 DKK'000
Contract work in progress	3,162	0
Progress billings regarding contract work in progress	(2,313)	0
Transferred to liabilities other than provisions	185	0
	1,034	0

7 Non-current liabilities other than provisions

	Due after more than 12 months 2020/21 DKK'000	Outstanding after 5 years 2020/21 DKK'000
Other payables	3,670	1,182
	3,670	1,182

8 Financial instruments

At the balance sheet date, the Company has signed 4 forward contracts with its banker for the sale of CAD and 16 for the sale of USD. The forward contract has been concluded to hedge the current payments on sales contracts signed.

At 30 September 2021, the total hedge amounts to CAD 563k (DKK 2,777k) will expire on latest 30 March 2023. The total hedge amount amounts to USD 832k (DKK 5,111k) will expire on latest 13 January 2023.

At the balance sheet date, under other payables, there is an unrealised exchange loss of DKK 274k. The fair value adjustment is recognized in equity.

9 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where GateHouse Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
GateHouse Holding A/S, Aalborg

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in the reserve for fair value adjustments of hedging instruments in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned. Grants awarded for acquisition of assets are recognised as deferred income in the balance sheet, which is taken to income on a straight-line basis over the useful life of the asset.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from sales of software products and advisory services is recognized in the income statement when delivery and the risk transition to the buyer has taken place. Revenue from sales of data as a service (DaaS) and support and maintenance is recognized in the income statement over the support and maintenance period. Royalty income is recognized in the income statement over the period of which royalties regards. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Own work capitalised

Own work capitalised comprises staff costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

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.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

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 dividends etc received on other investments, interest income, including interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed.

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 under 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 3-5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

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 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.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other provisions

Other provisions comprise provisions for investments in group enterprises.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.