



Worksome ApS

Bredgade 41, 2.
1260 København K
CVR No. 37990485

Annual report 2019

The Annual General Meeting adopted the
annual report on 16.06.2020

Gorm Sig Rasmussen

Chairman of the General Meeting

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Entity details

Entity

Worksome ApS

Bredgade 41, 2.

1260 København K

CVR No.: 37990485

Registered office: København

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Gorm Sig Rasmussen, Chairman

Morten Petersen

Hans Peter Galouzis Nielsen

Peter Michael Knud Oxholm Zigler

Mathias Agger Nordkvist Linnemann

Executive Board

Morten Petersen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Worksome ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Copenhagen, 16.06.2020

Executive Board

Morten Petersen
CEO

Board of Directors

Gorm Sig Rasmussen
Chairman

Morten Petersen

Hans Peter Galouzis Nielsen

Peter Michael Knud Oxholm Zigler

Mathias Agger Nordkvist Linnemann

Independent auditor's report

To the shareholders of Worksome ApS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Worksome ApS for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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.

Reporting related to the Danish Value Added Tax Act

At the beginning of the year, the Company filed VAT returns which included minor misstated amounts by mistake. However, corrections of wrongly stated VAT have been made subsequent to the balance sheet date, and so the reporting of total VAT for the year now complies with the final and updated bookkeeping records.

Copenhagen, 16.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant

Identification No (MNE) mne33712

Management commentary

Primary activities

The Company's primary activity is to function as a communication platform between companies and selfemployed consultants and freelancers.

Development in activities and finances

2019 was another year of strong growth in both business activity and revenue. Net revenue increased by almost 300% driven primarily by a significant increase in users on our platform. The number of freelancer profiles on the platform grew approximately 2.5 times and the number of company profiles more than doubled taking the combined number of users to more than 30,000 by the end of December.

We began our internationalisation journey entering the UK in first half of 2019 and seeing very positive acceptance of our value proposition among both freelancers and companies.

We continued to make significant investments in both people and further development of the platform to build an even stronger foundation to support continued growth in Denmark as well as in international markets.

Management is overall very satisfied with the development and financial results for 2019

Events after the balance sheet date

After the balance sheet date the Company has decided to convert as per 31.12.2019 DKK 6.722.900 of it's convertible long-term debt by issuing new shares.

We have not seen any negative impact from COVID-19 as our service offering tabs into the underlying megatrend of businesses moving towards a more flexible workforce which is a trend that has been further accelerated by the COVID-19 turmoil.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		(373,792)	(2,143,171)
Staff costs	2	(3,340,100)	(2,457,631)
Depreciation, amortisation and impairment losses	3	(952,946)	(458,860)
Operating profit/loss		(4,666,838)	(5,059,662)
Other financial income	4	308,648	1,282
Other financial expenses	5	(656,449)	(33,421)
Profit/loss before tax		(5,014,639)	(5,091,801)
Tax on profit/loss for the year	6	76,516	0
Profit/loss for the year		(4,938,123)	(5,091,801)
Proposed distribution of profit and loss			
Retained earnings		(4,938,123)	(5,091,801)
Proposed distribution of profit and loss		(4,938,123)	(5,091,801)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	8	3,366,176	2,150,931
Intangible assets	7	3,366,176	2,150,931
Investments in group enterprises		31,517	0
Receivables from group enterprises		4,123,727	0
Deposits		264,013	34,200
Other financial assets	9	4,419,257	34,200
Fixed assets		7,785,433	2,185,131
Trade receivables		6,278,662	2,000,489
Deferred tax		0	523,576
Other receivables		293,677	451,740
Prepayments		14,186	0
Receivables		6,586,525	2,975,805
Cash		3,590,645	5,658,353
Current assets		10,177,170	8,634,158
Assets		17,962,603	10,819,289

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		82,367	82,367
Reserve for development expenditure		2,625,617	1,677,726
Retained earnings		727,142	6,613,156
Equity		3,435,126	8,373,249
Convertible and dividend-yielding debt instruments		6,722,900	0
Other payables		132,500	0
Non-current liabilities other than provisions	10	6,855,400	0
Trade payables		5,609,943	1,940,731
Other payables	11	2,062,134	505,309
Current liabilities other than provisions		7,672,077	2,446,040
Liabilities other than provisions		14,527,477	2,446,040
Equity and liabilities		17,962,603	10,819,289
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	12		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	82,367	1,677,726	6,613,156	8,373,249
Transfer to reserves	0	947,891	(947,891)	0
Profit/loss for the year	0	0	(4,938,123)	(4,938,123)
Equity end of year	82,367	2,625,617	727,142	3,435,126

For the purpose of offering incentive pay in the form of share options, the Company's Board of Directors is authorised for the period until 30 September 2023 once or several times to increase the Company's share capital with up to nominally 8,237 shares in total without pre-emption right for the Company's shareholders. The authorisation empowers the Board of Directors to determine the terms for the granted share options, including the exercise price.

The Company's Board of Directors is authorised for the period until 31 July 2020 once or several times to increase the Company's share capital up to nominally 1,729 shares in total without pre-emption right for the Company's shareholders. The authorisation empowers the Board of Directors to determine the terms for the granted share options but to a predetermined exercise price.

Notes

1 Events after the balance sheet date

After the balance sheet date the Company has decided to convert as per 31.12.2019 DKK 6.722.900 of its convertible long-term debt by issuing new shares.

At the date of the Annual report 2019, the COVID-19 virus has set its marks throughout the whole world. Management expects that the lockdown will have a minor negative economic impact on the core markets and as a result; a minor negative financial impact on the expected results for 2020.

2 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	4,439,847	3,620,296
Pension costs	207,219	0
Other social security costs	61,234	56,562
Other staff costs	171,878	173,105
	4,880,178	3,849,963
Staff costs classified as assets	(1,540,078)	(1,392,332)
	3,340,100	2,457,631
Average number of full-time employees	10	7

3 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Amortisation of intangible assets	952,946	458,860
	952,946	458,860

4 Other financial income

	2019	2018
	DKK	DKK
Other interest income	7,695	1,085
Exchange rate adjustments	300,953	197
	308,648	1,282

5 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	238,983	28,958
Exchange rate adjustments	388,067	220
Other financial expenses	29,399	4,243
	656,449	33,421

6 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Change in deferred tax	(76,516)	0
	(76,516)	0

7 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,727,690
Additions	2,168,191
Cost end of year	4,895,881
Amortisation and impairment losses beginning of year	(576,759)
Amortisation for the year	(952,946)
Amortisation and impairment losses end of year	(1,529,705)
Carrying amount end of year	3,366,176

8 Development projects

The development projects comprise digital development of a digital market place, which the Company uses in its operations. The platform is used by the Company's customers and employees. The platform is continuously further developed and the projects are continuously completed and put to use, after which amortisation is commenced.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalised costs for development projects in the reserve for development costs under equity.

9 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK	Deposits DKK
Cost beginning of year	1	0	34,200
Additions	31,517	4,123,727	264,013
Disposals	0	0	(34,200)
Cost end of year	31,518	4,123,727	264,013
Impairment losses beginning of year	(1)	0	0
Impairment losses end of year	(1)	0	0
Carrying amount end of year	31,517	4,123,727	264,013

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
WorkSome LTD	London	LTD	100
WorkSome AS	Enebakk	AS	100

10 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK
Convertible and dividend-yielding debt instruments	6,722,900
Other payables	132,500
	6,855,400

After the balance sheet date the Company has decided to convert as per 31.12.2019 DKK 6.722.900 of it's convertible long-term debt by issuing new shares.

As per 31.12.2019 DKK 0 of the non-current liabilities are due 5 years after the balance sheet date.

11 Other payables

	2019 DKK	2018 DKK
VAT and duties	1,137,788	0
Wages and salaries, personal income taxes, social security costs, etc payable	218,834	133,387
Holiday pay obligation	240,890	321,494
Other costs payable	464,622	50,428
	2,062,134	505,309

12 Unrecognised rental and lease commitments

	2019	2018
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	1,801,854	19,000

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 certain provisions for reporting class C.

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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. This item also includes writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Amortisation and impairment losses relating to intangible assets comprise amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

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.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

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 4 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 measured at cost. Investments 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.

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.

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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