

---

# ***Q4 Denmark ApS***

Nybrogade 12, DK-1203 København K

## **Annual Report for 1 January - 31 December 2021**

---

CVR No 38 02 36 08

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
29/6 2022

Darrell Heaps  
Chairman of the General  
Meeting

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
The Independent Practitioner's Report	2
<b>Company Information</b>	
Company Information	4
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	5
Balance Sheet 31 December	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9

## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Q4 Denmark ApS for the financial year 1 January - 31 December 2021.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

Copenhagen, 29 June 2022

### **Executive Board**

Darrell Heaps  
CEO

Donna Louise de Winter  
Executive Officer

# The Independent Practitioner's Report

To the Shareholder of Q4 Denmark ApS

## **Conclusion**

We have performed an extended review of the Financial Statements of Q4 Denmark ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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

## **Basis for conclusion**

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

## **Management's 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 determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

# The Independent Practitioner's Report

## **Practitioner's responsibilities for the extended review of the Financial Statements**

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Hellerup, 29 June 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jesper Bo Winther  
State Authorised Public Accountant  
mne26864

Anders Røjleskov  
State Authorised Public Accountant  
mne28699

## **Company Information**

### **The Company**

Q4 Denmark ApS  
Nybrogade 12  
DK-1203 København K

CVR No: 38 02 36 08  
Financial period: 1 January - 31 December  
Municipality of reg. office: København K

### **Executive Board**

Darrell Heaps  
Donna Louise de Winter

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Gross profit/loss</b>		<b>3,749,380</b>	<b>1,655,201</b>
Staff expenses	2	-2,209,676	-1,730,652
Depreciation of property, plant and equipment	3	<u>-13,709</u>	<u>-17,209</u>
<b>Profit/loss before financial income and expenses</b>		<b>1,525,995</b>	<b>-92,660</b>
Financial income		12	786,906
Financial expenses		<u>-581,763</u>	<u>-51,762</u>
<b>Profit/loss before tax</b>		<b>944,244</b>	<b>642,484</b>
Tax on profit/loss for the year	4	<u>-156,355</u>	<u>-141,070</u>
<b>Net profit/loss for the year</b>		<b><u>787,889</u></b>	<b><u>501,414</u></b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		<u>787,889</u>	<u>501,414</u>
		<b><u>787,889</u></b>	<b><u>501,414</u></b>

## Balance Sheet 31 December

### Assets

	Note	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		35	13,744
<b>Property, plant and equipment</b>		<b>35</b>	<b>13,744</b>
<b>Fixed assets</b>		<b>35</b>	<b>13,744</b>
Trade receivables		4,333,593	3,279,078
Receivables from group enterprises		4,562,947	0
Other receivables		249,234	95,196
Deferred tax asset		0	3,803
Prepayments		1,236,458	1,077,264
<b>Receivables</b>		<b>10,382,232</b>	<b>4,455,341</b>
<b>Cash at bank</b>		<b>2,653,755</b>	<b>6,553,389</b>
<b>Currents assets</b>		<b>13,035,987</b>	<b>11,008,730</b>
<b>Assets</b>		<b>13,036,022</b>	<b>11,022,474</b>



# Balance Sheet 31 December

## Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		50,000	50,000
Retained earnings		1,953,885	1,165,996
<b>Equity</b>		<b>2,003,885</b>	<b>1,215,996</b>
Provision for deferred tax		93,808	0
<b>Provisions</b>		<b>93,808</b>	<b>0</b>
Prepayments received from customers		2,847,057	1,993,210
Other payables		0	212,266
<b>Long-term debt</b>	5	<b>2,847,057</b>	<b>2,205,476</b>
Prepayments received from customers	5	6,714,497	5,811,939
Trade payables		591,170	361,070
Payables to group enterprises		0	702,105
Corporation tax		78,154	89,081
Other payables	5	707,451	636,807
<b>Short-term debt</b>		<b>8,091,272</b>	<b>7,601,002</b>
<b>Debt</b>		<b>10,938,329</b>	<b>9,806,478</b>
<b>Liabilities and equity</b>		<b>13,036,022</b>	<b>11,022,474</b>
Key activities	1		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		
Subsequent events	8		
Accounting Policies	9		

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	50,000	1,165,996	1,215,996
Net profit/loss for the year	0	787,889	787,889
<b>Equity at 31 December</b>	<b>50,000</b>	<b>1,953,885</b>	<b>2,003,885</b>

# Notes to the Financial Statements

## 1 Key activities

The purpose of the Company is to establish, maintain and develop its Investor Relations software solutions and other capital market-related services and products as well as other related activities.

	<u>2021</u> DKK	<u>2020</u> DKK
<b>2 Staff expenses</b>		
Wages and salaries	2,090,299	1,498,793
Pensions	71,104	143,757
Other staff expenses	<u>48,273</u>	<u>88,102</u>
	<b><u>2,209,676</u></b>	<b><u>1,730,652</u></b>
<b>Average number of employees</b>	<b><u>2</u></b>	<b><u>2</u></b>
<b>3 Depreciation of property, plant and equipment</b>		
Depreciation of property, plant and equipment	<u>13,709</u>	<u>17,209</u>
	<b><u>13,709</u></b>	<b><u>17,209</u></b>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	100,154	142,846
Deferred tax for the year	97,611	-1,776
Adjustment of tax concerning previous years	<u>-41,410</u>	<u>0</u>
	<b><u>156,355</u></b>	<b><u>141,070</u></b>

# Notes to the Financial Statements

## 5 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:

	<u>2021</u> DKK	<u>2020</u> DKK
<b>Prepayments received from customers</b>		
Between 1 and 5 years	2,847,057	1,993,210
Long-term part	2,847,057	1,993,210
Within 1 year	6,714,497	5,811,939
	<b><u>9,561,554</u></b>	<b><u>7,805,149</u></b>
<b>Other payables</b>		
Between 1 and 5 years	0	212,266
Long-term part	0	212,266
Other short-term payables	707,451	636,807
	<b><u>707,451</u></b>	<b><u>849,073</u></b>

## 6 Contingent assets, liabilities and other financial obligations

### Charges and security

The following assets have been placed as security with :

Account receivables recognised at DKK 4,333,593 have been placed as security for an indemnity bond of USD 1,100,000 to Silicon Valley Bank

### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	58,836	43,050
	<b><u>58,836</u></b>	<b><u>43,050</u></b>

There are no security and contingent liabilities at 31 December 2021.

# Notes to the Financial Statements

## 7 Related parties

### Basis

---

#### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

<u>Name</u>	<u>Place of registered office</u>
Q4 Inc.	Parent

The Group Annual Report of Q4 Inc. may be obtained at the following address:

469-A King St. W.  
Toronto, Ontario  
M5V 1K4 Canada

## 8 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of Q4 Denmark ApS for 2021 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 accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 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 and provisions.

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 the sale of services is recognised when control over the services transfers to the purchaser, the revenue can be measured reliably, which according to IFRS 15 takes place at the time when control of the service delivered passes to the customer.

Revenue from our website product, which allows customers to host their websites on Q4 software over a term, is provided on a subscription basis. Revenue from the subscription, which includes the website hosting and ongoing support services are billed and initially recorded as deferred revenue and are subsequently recognized as revenue on a ratable basis over the term of the contract once the website is launched. Initial website implementation fees do not have stand-alone value because they are only sold in conjunction with a subscription to the Company's platform and can only be provided by the Company. The initial implementation is not a separate performance obligation and is therefore recognized on the same basis as website hosting. Revenue associated with additional design services after the initial implementation is recognized in the period performance is complete.

Revenue from our virtual events products is recognized at the time the event occurs. When annual contracts are entered into, the balances are recorded as deferred revenue and are recognized as revenue in the period in which the event takes place.

Revenue from our CRM product is provided on a subscription basis. Revenue from these subscriptions, which also include ongoing support services is billed and initially recorded as deferred revenue and is subsequently recognized as revenue on a ratable basis over the term of the contract.

Revenue from our analytics product is provided on a subscription basis. Revenue from these subscriptions, which also include ongoing support services is billed and initially recorded as deferred revenue and is subsequently recognized as revenue on a ratable basis over the term of the contract.

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

#### Expenses for consumables

The company's expenses for raw materials and consumables consist of website implementation costs and virtual event product costs.

#### Other external expenses

Other external expenses comprise indirect costs such as salaries and benefits, expenses for premises, sales and advertising costs as well as office expenses.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for consumables 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 property, plant and equipment.

### 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.

## Balance Sheet

### 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.

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      3 to 5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.



# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Impairment of fixed assets

The carrying amounts of 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.

### 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, subscriptions and deferred commission in relation to IFRS 15.

### 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 of future income taxes payable or by a decrease to already existing 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.

## **Notes to the Financial Statements**

### **9 Accounting Policies** (continued)

#### **Financial debts**

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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