

Copenhagen Mist ApS

Vesterbrogade 32
1620 København V

Annual report
1 January 2019 - 31 December 2019

**The annual report has been presented and
approved on the company's general meeting the**

07/08/2020

Jesper Ravnsgaard
Chairman of general meeting

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Company information

Reporting company Copenhagen Mist ApS
Vesterbrogade 32
1620 København V

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CVR-nr: 38399217

Reporting period: 01/01/2019 - 31/12/2019

Management's Review

The principal activities of the company

The purpose of the company is to conduct business with IT consulting and operations.

Development in activities and financial matters

The gross result for the year is DKK 1.472.954. The results from ordinary activities after tax are DKK -164.116.

Events subsequent to the financial year

No events occurred after the balance sheet date until the signature date that had significant importance for the annual report.

Ledelsen anser betingelserne for at udelade revision for opfyldt.

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B. The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danisk kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably. At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

The Profit and Loss account

Gross profit

The gross profit comprises the net turnover, other operating income, and external costs.

Net turnover

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Raw materials and consumables used

Raw materials and consumables used includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Depreciation, amortisation and impairment

Depreciation, amortisation and write-down comprise depreciation on, amortisation of and write-down relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Balance**Intangible assets****Development projects, patents, and licences**

Development costs include, among other things, wages and salaries and depreciation attributable directly and indirectly to development activities.

Development projects that are clearly defined and identifiable where the technical feasibility, adequate resources and potential future market or development opportunity of the enterprise can be demonstrated, and where the intent to manufacture, market or use the project is recognized as intangible assets, if the cost price can be reliably determined and there is sufficient certainty that future earnings may cover production, sales and administrative costs. Other development costs are recognized in the income statement as the costs are incurred.

Development costs recognized in the balance sheet are measured at cost less accumulated depreciation and impairment losses. After completion of the development work, capitalized development costs are amortized on a straight-line basis over the estimated useful life. The amortization period is usually 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Tangible fixed assets

The depreciable amount is cost less estimated residual value at the end of the useful life of the relevant asset.

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 assets produced in-house includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

Depreciation is computed using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Other plants, operating assets, fixtures and furniture 3-5 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are

recognised in the income statement as other operating income or other operating expense.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, write-down takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand

Equity - Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Income statement 1 Jan 2019 - 31 Dec 2019

	Disclosure	2019 kr.	2018 kr.
Gross Result		1,472,954	725,256
Employee expense		-1,311,694	-670,390
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets		-142,320	-35,580
Profit (loss) from ordinary operating activities		18,940	19,286
Other finance income		7,732	342
Other finance expenses		-52,008	-19,906
Profit (loss) from ordinary activities before tax		-25,336	-276
Tax expense		-138,780	-58,061
Profit (loss)		-164,116	-58,337
Proposed distribution of results			
Proposed dividend recognised in equity		0	0
Retained earnings		-164,116	-58,337
Proposed distribution of profit (loss)		-164,116	-58,337

Balance sheet 31 December 2019

Assets

	Disclosure	2019 kr.	2018 kr.
Development projects in progress		1,457,521	696,579
Intangible assets	1	1,457,521	696,579
Plant and machinery		43,051	0
Property, plant and equipment		43,051	0
Deposits		325,949	121,455
Investments		325,949	121,455
Total non-current assets		1,826,521	818,034
Trade receivables		1,052,504	466,246
Current deferred tax assets		0	55,369
Tax receivables		180,004	0
Receivables from owners and management		0	201,915
Deferred income assets		26,000	0
Receivables		1,258,508	723,530
Cash and cash equivalents		29	40,952
Current assets		1,258,537	764,482
Total assets		3,085,058	1,582,516

Balance sheet 31 December 2019

Liabilities and equity

	Disclosure	2019 kr.	2018 kr.
Contributed capital		50,000	50,000
Retained earnings		-823,330	-659,214
Total equity		-773,330	-609,214
Provisions for deferred tax		263,415	0
Provisions, gross		263,415	0
Debt to banks		191,831	0
Prepayments received from customers		1,024,709	863,514
Trade payables		1,119,747	696,993
Payables to group enterprises		146,080	250,726
Other payables, including tax payables, liabilities other than provisions		1,112,606	380,497
Short-term liabilities other than provisions, gross		3,594,973	2,191,730
Liabilities other than provisions, gross		3,594,973	2,191,730
Liabilities and equity, gross		3,085,058	1,582,516

Statement of changes in equity 1 Jan 2019 - 31 Dec 2019

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
	kr.	kr.	kr.	kr.
Equity, beginning balance	50,000	-659,214	0	-609,214
Dividend paid	0	0	0	0
Profit (Loss)	0	-164,116	0	-164,116
Equity, ending balance	50,000	-823,330	0	-773,330

Disclosures

1. Intangible assets

	Development projects in progress. kr.
Cost, beginning of year	732.159
Additions	903.262
Disposals	0
Cost, end of year	1.635.421
Impairment and depreciation, beginning of year	-35.580
Impairment in the year	-142.320
Impairment and depreciation, end of year	-177.900
Carrying value, end of year	1.457.521

2. Information on average number of employees

	2019
Average number of employees	4