Grant Thornton
Statsautoriseret
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

Copenhagen Mist ApS

Vesterbrogade 32, 1620 København V

Company reg. no. 38 39 92 17

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 7 July 2022.

Jesper Ravnsgaard Larsen
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Contents

Management's statement

Today, the managing director has presented the annual report of Copenhagen Mist ApS for the financial year 1 January - 31 December 2021.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 7 July 2022

Managing Director

Jesper Ravnsgaard Larsen

Independent auditor's report

To the Shareholder of Copenhagen Mist ApS

Opinion

We have audited the financial statements of Copenhagen Mist ApS for the financial year 1 January - 31 December 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and a summary of significant accounting policies,. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the results of the company's activities for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section “Auditor’s responsibilities for the audit of the financial statements”. 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion.

Emphasis of matter

During the year, the company's management has established that the accounts for 2020 were erroneous with significant errors. On the basis of the significance hereof, the management has chosen to treat the matter in accordance with The Danish Financial Statements Act, Section 52, Subsection 2. The errors have been corrected in the comparison year.

The correction has had a positive effect on the net profit for last year's of tDKK 255.

See further description in management's review and accounting policies.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may 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 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Statement on the Management's Review
Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that Management's Review is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the Management's Review.

Copenhagen, 7 July 2022

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin
State Authorised Public Accountant
mne30140

Company information

The company	Copenhagen Mist ApS Vesterbrogade 32 1620 København V
	Company reg. no. 38 39 92 17 Established: 1 February 2017 Domicile: Copenhagen Financial year: 1 January - 31 December
Managing Director	Jesper Ravnsgaard Larsen
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Parent company	Ravnsgaard Holding ApS

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 profit for the year totals tDKK 6.288 against tDKK 4.333 last year, thus growing 45%. Net profit for the year totals tDKK 304 against tDKK 623 last year.

Management considers the net profit for the year satisfactory.

Significant errors

During the year, the company's management has established that the accounts for 2020 were erroneous with significant errors regarding incorrect accrual of turnover, cost of sales, and incorrect recognition of goodwill and completed development projects.

On the basis of the significance hereof, the management has chosen to treat the matter in accordance with The Danish Financial Statements Act, Section 52, Subsection 2. The errors have been corrected in the comparison year.

The correction has had a positive effect on the net profit for last year's of tDKK 255.

Events occurring after the end of the financial year

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

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross profit	**6.288.384**	**4.333.209**
1	Staff costs	-5.084.067	-2.974.846
	Depreciation, amortisation, and impairment	-909.553	-526.038
	Operating profit	**294.764**	**832.325**
	Other financial income	17.318	930
	Other financial expenses	-25.740	-131.965
	Pre-tax net profit or loss	**286.342**	**701.290**
	Tax on net profit or loss for the year	17.410	-78.585
	Net profit or loss for the year	**303.752**	**622.705**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	303.752	622.705
	Total allocations and transfers	**303.752**	**622.705**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2021	2020
	Non-current assets		
2	Completed development projects, including patents and similar rights arising from development projects	2.478.553	1.817.773
	Goodwill	911.221	1.164.338
	Total intangible assets	3.389.774	2.982.111
	Other fixtures and fittings, tools and equipment	129.970	28.701
	Total property, plant, and equipment	129.970	28.701
	Deposits	310.545	325.949
	Total investments	310.545	325.949
	Total non-current assets	**3.830.289**	**3.336.761**
	Current assets		
	Trade receivables	2.555.935	2.293.271
	Receivables from subsidiaries	171.123	158.123
	Income tax receivables	78.054	0
	Other receivables	436.411	455.000
	Prepayments	85.590	0
	Total receivables	3.327.113	2.906.394
	Cash and cash equivalents	1.482.744	378.962
	Total current assets	**4.809.857**	**3.285.356**
	Total assets	**8.640.146**	**6.622.117**

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note		2021	2020
	Equity		
	Contributed capital	50.000	50.000
	Reserve for development costs	1.933.272	1.417.863
	Retained earnings	-1.830.145	-1.618.489
	Total equity	**153.127**	**-150.626**
	Provisions		
	Provisions for deferred tax	402.644	342.000
	Total provisions	**402.644**	**342.000**
	Long term labilities other than provisions		
	Other payables	421.332	144.144
3	Total long term liabilities other than provisions	421.332	144.144
	Prepayments received from customers	1.302.474	1.334.555
	Trade payables	1.708.474	671.512
	Other payables	4.652.095	4.280.532
	Total short term liabilities other than provisions	7.663.043	6.286.599
	Total liabilities other than provisions	**8.084.375**	**6.430.743**
	Total equity and liabilities	**8.640.146**	**6.622.117**

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2020	50.000	0	-823.331	-773.331
Adjustment due to significant error regarding reserve for development costs	0	1.041.774	-1.041.774	0
Retained earnings for the year	0	0	367.410	367.410
Transferred from retained earnings	0	376.089	-376.089	0
Adjustment due to significant error regarding accrual of revenue	0	0	891.363	891.363
Adjustment due to significant error regarding accrual of cost of sales	0	0	-646.673	-646.673
Adjustment due to significant error regarding goodwill	0	0	27.306	27.306
Adjustment due to significant error regarding completed delovpment projects	0	0	9.036	9.036
Tax effect of the corrections above	0	0	-25.737	-25.737
Equity 1 January 2021	50.000	1.417.863	-1.618.489	-150.626
Retained earnings for the year	0	0	303.753	303.753
Transferred from retained earnings	0	515.409	-515.409	0
	50.000	**1.933.272**	**-1.830.145**	**153.127**

Notes

All amounts in DKK.

		2021	2020
1.	**Staff costs**		
	Salaries and wages	4.854.619	2.925.297
	Pension costs	186.100	27.900
	Other costs for social security	43.348	21.649
		5.084.067	**2.974.846**
	Average number of employees	6	3

2. Completed development projects, including patents and similar rights arising from development projects

Copenhagen Mist ApS is continuing evolving its Azure Blueprint services framework which ensures superior website performance for clients running enterprise web applications on Sitecore, Optimizely and Umbraco. The year has added a significant feature areas such as data-driven insights, enhanced monitoring and deployment automation.

The completed development projects are essential for mainenance of the turnover and cost savings.

The management has not identified indication of impairment in proportion to the book value.

3. Long term labilities other than provisions

	Total payables 31 Dec 2021	Current portion of long term payables	Long term payables 31 Dec 2021	Outstanding payables after 5 years
Other payables	421.332	0	421.332	0
	421.332	**0**	**421.332**	**0**

Notes

All amounts in DKK.

4. Contingencies

Joint taxation

With Ravnsgaard Holding ApS, company reg. no 25 46 98 01 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Copenhagen Mist ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Presentation changes

Some presentation changes have been made. They have not affected the result of the year and the equity besides from significant error.

Significant errors

During the year, the company's management has established that the accounts for 2020 were erroneous with significant errors regarding incorrect accrual of turnover, cost of sales, and incorrect recognition of goodwill and completed development projects.

On the basis of the significance hereof, the management has chosen to treat the matter in accordance with The Danish Financial Statements Act, Section 52, Subsection 2. The errors have been corrected in the comparison year.

The correction has had a positive effect on the net profit for last year's of tDKK 255.

Impact on the result of the year 2020

- The result of the year is positively affected by tDKK 891 relating to unrecognized revenue relating to 2020, which was issued in 2021
- The result of the year is reduced by tDKK 647 regarding unrecognized consumption of cost of sales to 2020, which was issued in 2021
- The result of the year is positively affected by tDKK 27 regarding excessive depreciation of goodwill
- The result of the year is positively affected by tDKK 9 regarding excessive depreciation for completed development projects
- The result of the year is reduced by tDKK 26 regarding the tax effect of the above corrections

Impact on equity 2020

- The above corrections have had a positive impact on equity of a total of tDKK 255,
- In addition, a reserve has been recognized for development costs, which is why a correction has been made for this. The correction has been made between the transferred result and the reserve for development costs.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Accounting policies

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales, work performed for own account and capitalised, other operating income, and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined

Accounting policies

- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of finished goods and consumables less discounts.

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 5 years.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 5 years.

Other fixtures and fittings, tools and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

Accounting policies

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Accounting policies

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

According to the rules of joint taxation, Copenhagen Mist ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Liabilities other than provisions

Other liabilities concerning payables to suppliers, and other payables are measured at amortised cost which usually corresponds to the nominal value.

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Jesper Ravnsgaard Larsen
Direktør og dirigent
Serienummer: PID:9208-2002-2-889092461227
IP: 77.241.xxx.xxx
2022-07-07 16:56:05 UTC
NEM ID

Claus Koskelin
Statsautoriseret revisor
Serienummer: PID:9208-2002-2-814447238824
IP: 80.62.xxx.xxx
2022-07-07 20:39:26 UTC
NEM ID

Penneo dokumentnøgle: YFXCV-ZTVCN-IDEUO-PMSMH-4EQ68-TYI00