Barona IT ApS

Digevej 114 st. tv., 2300 København S

Annual report for 2019

CVR no. 38 54 39 11

Adopted at the annual general meeting on 30 April 2020

chairman: Henrik Mikael Rantala

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Barona IT ApS for the financial year 1 January - 31 December 2019.

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 company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 30 April 2020

Executive board

Henri Eerik Pynnönen director	Henrik Mikael Rantala director

Independent auditor's report

To the shareholder of Barona IT ApS

Opinion

We have audited the financial statements of Barona IT ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 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 the 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 our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 the 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.

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 judgment and maintain professional skepticism throughout the audit. We also:

Independent auditor's report

- 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 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 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 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 the disclosures, 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 management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, 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 management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that management's review 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 management's review.

Copenhagen, 30 April 2020

Ecovis Danmark
statsautoriseret revisionsinteressentskab
CVR no. 28 93 95 23

Kurt Bülow
Statsautoriseret revisor
MNE no. mne3112

Company details

The company	Barona IT ApS Digevej 114 st. tv. 2300 København S	
	CVR no.:	38 54 39 11
	Reporting period:	1 January - 31 December 2019
	Domicile:	Copenhagen
Executive board	Henri Eerik Pynnönen, director Henrik Mikael Rantala, director	
Auditors	Ecovis Danmark statsautoriseret revisionsinteressentskab St. Kongensgade 36, 3.th 1264 København K	

Management's review

Business review

The main activity of the company is to provide consultancy in Human Resources and recruitment, as well as other related activities.

Financial review

The company's income statement for the year ended 31 December 2019 shows a loss of DKK 887.905, and the balance sheet at 31 December 2019 shows negative equity of DKK 1.727.977.

Income statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit		**2.569.943**	**3.460.100**
Staff costs	2	-3.623.565	-4.032.106
Profit/loss before amortisation/depreciation and impairment losses		**-1.053.622**	**-572.006**
Financial income		3.330	6.532
Financial costs	3	-86.856	-66.389
Profit/loss before tax		**-1.137.148**	**-631.863**
Tax on profit/loss for the year	4	249.243	138.906
Profit/loss for the year		**-887.905**	**-492.957**

Balance sheet 31 December

	Note	2019 DKK	2018 DKK
Assets			
Trade receivables		490.134	1.419.084
Other receivables		13.753	27.741
Deferred tax asset		499.256	250.013
Prepayments		47.846	0
Receivables		**1.050.989**	**1.696.838**
Total current assets		**1.050.989**	**1.696.838**
Total assets		**1.050.989**	**1.696.838**

Balance sheet 31 December

	Note	2019 DKK	2018 DKK
Equity and liabilities			
Share capital		50.000	50.000
Retained earnings		-1.777.977	-890.072
Equity		**-1.727.977**	**-840.072**
Other payables		90.160	0
Total non-current liabilities		**90.160**	**0**
Banks		2.343.313	1.784.072
Trade payables		91.887	83.590
Other payables		253.606	669.248
Total current liabilities		**2.688.806**	**2.536.910**
Total liabilities		**2.778.966**	**2.536.910**
Total equity and liabilities		**1.050.989**	**1.696.838**
Uncertainty about the continued operation (going concern)	1		
Rent and lease liabilities	5		
Related parties and ownership structure	6		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2019	50.000	-890.072	-840.072
Net profit/loss for the year	0	-887.905	-887.905
Equity at 31 December 2019	**50.000**	**-1.777.977**	**-1.727.977**

	Share capital	Retained earnings	Total
Equity 1. januar 2018	50.000	-397.115	-347.115
Net profit/loss for the year	0	-492.957	-492.957
Equity 31. december 2018	**50.000**	**-890.072**	**-840.072**

Notes

1 Uncertainty about the continued operation (going concern)

The parent company Barona IT OY has given declarations of support for the company for the comming 12 months

		2019	2018
		DKK	DKK
2	**Staff costs**		
	Wages and salaries	3.411.715	3.824.407
	Pensions	138.551	127.800
	Other social security costs	73.299	79.899
		3.623.565	**4.032.106**
	Average number of employees	9	12
3	**Financial costs**		
	Financial expenses, group entities	79.637	56.243
	Other financial costs	3.624	470
	Exchange loss	3.595	9.676
		86.856	**66.389**
4	**Tax on profit/loss for the year**		
	Current tax for the year	-249.243	-138.906
		-249.243	**-138.906**
	Tax on profit/loss for the year is calculated as follows:		
	Calculated 22% tax on profit/loss for the year before tax	-250.173	-139.010
	Tax effect of:		
	Tax on non-deductible expenses and non-taxable income	930	104
		-249.243	**-138.906**

Notes

	2019 DKK	2018 DKK
5 Rent and lease liabilities		
Operating lease liabilities. Total future lease payments:		
Within 1 year	43.448	0
	43.448	**0**
Lease obligations (less than 12 months)	36.000	9.000

6 Related parties and ownership structure

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Barona IT OY, Töölönlahdenkatu 3 B, 00100 Helsinki, Finland

Accounting policies

The annual report of Barona IT ApS for 2019 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 provisions as regards larger entities.

The annual report for 2019 is presented in DKK

Changes in accounting policies

As a result of the new Holiday Act, which comes intoforce on September 1, 2020, the holiday pay obligationis calculated using an exact method whereby the holidaypay obligation is calculated as the sum of the calculated holiday allowance obligation for each employee. Previously, the holiday pay obligation was calculated using a summary method in which the obligation was measured as a percentage of the holiday payable salary.

The changed method has a negative impact on the result of the year as staff costs increased with 0,8 TDKK. The holiday pay obligation, which is recognized in the item Other payables as part of the company's liabilities, has been increased with 0,8 TDKK, which has had a negative impact on equity by 0,6 TDKK.

The accounting policies are otherwise consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Tax on profit/loss for the year

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Leases

Leases for items of property, plant and equipment that transfer substantially all the risks and rewards incident to ownership to the company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the company's other non-current assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other rent agreements are disclosed under 'Contingencies, etc.'.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Accounting policies

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.