

# Patentrenewal.com ApS

Emil Holms Kanal 14, 2300 København S

Company reg. no. 38 97 33 71

## Annual report

**1 January - 31 December 2019**

The annual report was submitted and approved by the general meeting on the 21 August 2020.



Jesper Ohrt Juel Jensen  
Chairman of the meeting

## Contents

---

	<b><u>Page</u></b>
<b>Reports</b>	
Management's report	1
Independent auditor's report	2
<b>Management commentary</b>	
Company information	5
Management commentary	6
<b>Financial statements 1 January - 31 December 2019</b>	
Accounting policies	7
Income statement	12
Statement of financial position	13
Notes	15

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## Management's report

---

The board of directors and the executive board have today presented the annual report of Patentrenewal.com ApS for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København S, 21 August 2020

### Executive board



Jesper Ohrt Juel Jensen




Mads Viborg Jørgensen

### Board of directors



Patrick Borre Hansen  
Chairman



Søren Torp Laursen



Jørgen Rosenlund Nielsen



Jesper Ohrt Juel Jensen



Søren Hoelgaard Justesen

## **Independent auditor's report**

---

### **To the shareholders of Patentrenewal.com ApS**

#### **Opinion**

We have audited the annual accounts of Patentrenewal.com ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities for the annual accounts**

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

## **Independent auditor's report**

---

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

## **Independent auditor's report**

---

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 the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 21 August 2020

### **Grant Thornton**

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



**Brian Rasmussen**  
State Authorised Public Accountant  
hmc30153

## Company information

---

### The company

Patentrenewal.com ApS  
Emil Holms Kanal 14  
2300 København S

Company reg. no. 38 97 33 71  
Established: 29 September 2017  
Domicile: Copenhagen  
Financial year: 1 January - 31 December  
2nd financial year

### Board of directors

Patrick Borre Hansen, Chairman  
Søren Torp Laursen  
Jørgen Rosenlund Nielsen  
Jesper Ohrt Juel Jensen  
Søren Hoelgaard Justesen

### Executive board

Jesper Ohrt Juel Jensen  
Mads Viborg Jørgensen

### Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

## **Management commentary**

---

### **The principal activities of the company**

The company's principal activity is the development of a web based software, where access to the software will be licensed to customers and in relation hereto providing the service to handle and automate processes related to customers intellectual property rights, and other activities in connection thereto.

### **Unusual matters**

During the year the company has received a remission of debt of DKK 183 thousand.

### **Development in activities and financial matters**

The gross loss for the year totals DKK -469.404 against DKK -344.581 last year. Loss from ordinary activities after tax totals DKK -1.450.933 against DKK -1.018.279 last year. Management considers the net profit or loss for the year less satisfactory.

### **Own shares**

The enterprise' holding of own shares is 7.185 shares of DKK 1 each, corresponding to 8,98 % of the contributed capital.

During the year, the enterprise acquired 7.185 own shares of DKK 1 each. The purchase price represents DKK 7.185.

### **Events subsequent to the financial year**

At present, the company's Management cannot estimate the effect of the development in relation to Covid-19 that took place after the expiry of the financial year. Apart from this, no incidents occurred after the expiry of the financial year that will significantly affect the company's financial position.

The company has in 2020 increased its capital to with DKK 6.315 at the rate of 23.752,96 to DKK 79.994.



## **Accounting policies**

---

The annual report for Patentrenewal.com ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **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.

## **Income statement**

### **Gross loss**

Gross loss comprises the revenue, cost of sales, other operating income, and external costs.

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.

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

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

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

### **Staff costs**

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

## **Accounting policies**

---

### **Depreciation, amortisation and writedown**

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown 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, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. 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 balance sheet**

### **Intangible fixed assets**

#### **Development projects, patents, and licences**

Development costs comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development activities.

Clearly defined and identifiable development projects are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. Usually, the amortisation period is 10 years.

Gain and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Gain or loss are recognised in the profit and loss account as other operating income or other operating expenses respectively.

### **Tangible fixed assets**

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

## Accounting policies

---

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

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

The cost comprises the acquisition cost and costs directly attached to 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.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

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

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

### Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises 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 takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

## **Accounting policies**

---

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

### **Financial fixed assets**

#### **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.

#### **Available funds**

Available funds comprise cash at bank.

### **Equity**

#### **Treasury shares**

Purchase prices and sales prices of own shares are recognised directly in equity. The capital reduction arising from the cancellation of own shares will reduce the share capital by an amount corresponding to the nominal value of the shares and increase the results brought forward, respectively. The dividend of own shares is recognised directly in equity under retained earnings.

#### **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.

#### **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.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

## **Accounting policies**

---

### **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.

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

### **Accrued expenses and deferred income**

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

**Income statement**

All amounts in DKK.

<u>Note</u>	1/1 2019 - 31/12 2019	29/9 2017 - 31/12 2018
<b>Gross loss</b>	<b>-469.404</b>	<b>-344.581</b>
1 Staff costs	-1.150.738	-786.027
Depreciation, amortisation, and impairment	-428.139	-147.429
<b>Operating profit</b>	<b>-2.048.281</b>	<b>-1.278.037</b>
Other financial income	183.034	0
2 Other financial costs	-71	-33.120
<b>Pre-tax net profit or loss</b>	<b>-1.865.318</b>	<b>-1.311.157</b>
Tax on net profit or loss for the year	414.385	292.878
<b>Net profit or loss for the year</b>	<b>-1.450.933</b>	<b>-1.018.279</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to other statutory reserves	1.191.638	1.015.655
Allocated from results brought forward	-2.642.571	-2.033.934
<b>Total allocations and transfers</b>	<b>-1.450.933</b>	<b>-1.018.279</b>

**Statement of financial position 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>		
3 Completed development projects, including patents and similar rights arising from development projects	2.829.863	1.302.122
Total intangible assets	2.829.863	1.302.122
4 Other fixtures and fittings, tools and equipment	21.144	11.067
Total property, plant, and equipment	21.144	11.067
5 Deposits	53.876	0
Total investments	53.876	0
<b>Total non-current assets</b>	<b>2.904.883</b>	<b>1.313.189</b>
<b>Current assets</b>		
Trade receivables	12.100	0
Income tax receivables	429.255	318.296
Other receivables	47.354	27.896
Total receivables	488.709	346.192
Available funds	2.592.911	1.010.095
<b>Total current assets</b>	<b>3.081.620</b>	<b>1.356.287</b>
<b>Total assets</b>	<b>5.986.503</b>	<b>2.669.476</b>

**Statement of financial position 31 December**

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
6	73.679	65.012
7	2.207.293	1.015.655
8	-115.541	543.603
	<b>2.165.431</b>	<b>1.624.270</b>
<b>Provisions</b>		
	40.288	25.418
	<b>40.288</b>	<b>25.418</b>
<b>Liabilities other than provisions</b>		
	1.276.322	86.072
	112.267	15.000
	424.466	0
	983.345	779.757
	984.384	138.959
	<b>3.780.784</b>	<b>1.019.788</b>
	<b>3.780.784</b>	<b>1.019.788</b>
	<b>5.986.503</b>	<b>2.669.476</b>

**9 Contingencies**



**Notes**

All amounts in DKK.

	1/1 2019 - 31/12 2019	29/9 2017 - 31/12 2018
<b>1. Staff costs</b>		
Salaries and wages	1.082.907	751.490
Other costs for social security	67.831	34.537
	<b>1.150.738</b>	<b>786.027</b>
Average number of employees	9	7
<b>2. Other financial costs</b>		
Other financial costs	71	33.120
	<b>71</b>	<b>33.120</b>
<b>3. Completed development projects, including patents and similar rights arising from development projects</b>		
Cost 1 January 2019	1.446.802	0
Additions during the year	1.951.158	1.446.802
<b>Cost 31 December 2019</b>	<b>3.397.960</b>	<b>1.446.802</b>
Amortisation and writedown 1 January 2019	-144.680	0
Amortisation for the year	-423.417	-144.680
<b>Amortisation and writedown 31 December 2019</b>	<b>-568.097</b>	<b>-144.680</b>
<b>Carrying amount, 31 December 2019</b>	<b>2.829.863</b>	<b>1.302.122</b>

**Notes**

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>4. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2019	13.816	0
Additions during the year	<u>14.799</u>	<u>13.816</u>
<b>Cost 31 December 2019</b>	<b><u>28.615</u></b>	<b><u>13.816</u></b>
Amortisation and writedown 1 January 2019	-2.749	0
Depreciation for the year	<u>-4.722</u>	<u>-2.749</u>
<b>Amortisation and writedown 31 December 2019</b>	<b><u>-7.471</u></b>	<b><u>-2.749</u></b>
<b>Carrying amount, 31 December 2019</b>	<b><u>21.144</u></b>	<b><u>11.067</u></b>
<b>5. Deposits</b>		
Additions during the year	<u>53.876</u>	<u>0</u>
<b>Cost 31 December 2019</b>	<b><u>53.876</u></b>	<b><u>0</u></b>
<b>Carrying amount, 31 December 2019</b>	<b><u>53.876</u></b>	<b><u>0</u></b>
<b>6. Contributed capital</b>		
Contributed capital 1 January 2019	65.012	50.000
Cash capital increase	<u>8.667</u>	<u>15.012</u>
	<b><u>73.679</u></b>	<b><u>65.012</u></b>
<b>7. Reserve for development costs</b>		
Reserve for development costs 1 January 2019	1.015.655	0
Transferred from results brought forward	<u>1.191.638</u>	<u>1.015.655</u>
	<b><u>2.207.293</u></b>	<b><u>1.015.655</u></b>

**Notes**

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>8. Retained earnings</b>		
Retained earnings 1 January 2019	543.604	0
Profit or loss for the year brought forward	-2.642.571	-2.033.934
Share premium for the year	1.990.611	2.577.537
Disposals in connection with purchase of own shares	-7.185	0
	<u><b>-115.541</b></u>	<u><b>543.603</b></u>

**9. Contingencies****Contingent liabilities**

## Lease liabilities

The Company has entered into rent agreements with a notice period. The liability during this period represents DKK 49.450.