

Innoflow ApS

Kanslergade 2, st. tv.
DK-2100 Copenhagen

CVR no. 39 23 47 85

Annual report 2020

The annual report was presented and approved at the
Company's annual general meeting on

12 May 2021

Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Innoflow ApS for the financial year 1 January – 31 December 2020.

The annual report has been 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 assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 12 May 2021
Executive Board:

Nicklas Pyrdol

Thomas Tornerup

Board of Directors:

Annette Otto

Erik Bisgaard Madsen

Poul Vagn Carstensen

Tina Herrmann



Independent auditor's report

To the shareholders of Innoflow ApS

Opinion

We have audited the financial statements of Innoflow ApS for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 that 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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

Independent auditor's report

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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 12 May 2021

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Innoflow ApS
Annual report 2020
CVR no. 39 23 47 85

Management's review

Company details

Innoflow ApS
Kanslergade 2, st. tv.
2100 Copenhagen

CVR no.:	39 23 47 85
Established:	8 January 2018
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Annette Otto
Erik Bisgaard Madsen
Poul Vagn Carstensen
Tina Herrmann

Executive Board

Nicklas Pyrdol
Thomas Tornerup

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's main activities are to develop and commercialize a case-solving process tool. While additionally, advising companies and organizations on it's applications and engaging on business related software.

Development in activities and financial position

The Company's income statement for 2020 shows a loss of DKK -1,036,676 as against a profit of DKK 235,601 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 1,170,486 as against DKK 357,161 at 31 December 2019.

The Company has not been significantly impacted by Covid-19.

Events after the balance sheet date

No event have occurred after the financial year-end which could significantly affect the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2020	2019
Gross profit/loss		-168,916	305,067
Staff costs	2	-945,438	0
Depreciation, amortisation and impairment losses		-213,576	0
Profit/loss before financial income and expenses		-1,327,930	305,067
Financial expenses		-141,867	-119
Profit/loss before tax		-1,469,797	304,948
Tax on profit/loss for the year	3	433,121	-69,347
Profit/loss for the year		-1,036,676	235,601
Proposed profit appropriation/distribution of loss			
Reserve for development costs		1,045,466	581,944
Retained earnings		-2,082,142	-346,343
		-1,036,676	235,601

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
ASSETS			
Fixed assets			
Intangible assets	4		
Completed development projects		533,506	0
Development projects in progress		<u>1,552,917</u>	<u>746,082</u>
		<u>2,086,423</u>	<u>746,082</u>
Total fixed assets		<u>2,086,423</u>	<u>746,082</u>
Current assets			
Receivables			
Trade receivables		121,904	0
Other receivables		7,900	40,869
Deferred tax asset		0	39,103
Corporation tax		<u>439,115</u>	<u>97,253</u>
		<u>568,919</u>	<u>177,225</u>
Cash at bank and in hand		<u>3,326,403</u>	<u>8,405</u>
Total current assets		<u>3,895,322</u>	<u>185,630</u>
TOTAL ASSETS		<u><u>5,981,745</u></u>	<u><u>931,712</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital		95,556	80,645
Reserve for development costs		1,627,410	581,944
Retained earnings		-552,480	-305,428
Total equity		<u>1,170,486</u>	<u>357,161</u>
Provisions			
Provisions for deferred tax		<u>36,238</u>	<u>166,600</u>
Total provisions		<u>36,238</u>	<u>166,600</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Other credit institutions		<u>4,604,069</u>	<u>0</u>
Current liabilities other than provisions			
Banks, current liabilities		0	290,000
Trade payables		0	102,221
Other payables		<u>170,952</u>	<u>15,730</u>
		<u>170,952</u>	<u>407,951</u>
Total liabilities other than provisions		<u>4,775,021</u>	<u>407,951</u>
TOTAL EQUITY AND LIABILITIES		<u>5,981,745</u>	<u>931,712</u>
Contractual obligations, contingencies, etc.	5		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2020	80,645	581,944	-305,428	357,161
Cash capital increase	14,911	0	1,835,090	1,850,001
Transferred over the distribution of loss	0	1,045,466	-2,082,142	-1,036,676
Equity at 31 December 2020	95,556	1,627,410	-552,480	1,170,486

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Innoflow ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue from the sale of services is recognised on a straight-line basis in the income statement as the services are provided

Services based on time spent are recognised in revenue as the work is performed.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects

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

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

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

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January – 31 December

Notes

DKK	2020	2019
2 Staff costs		
Wages and salaries	1,126,725	0
Other social security costs	50,006	0
Capitalized to development projects	-231,293	0
	<u>945,438</u>	<u>0</u>
Average number of full-time employees	<u>5</u>	<u>0</u>
3 Tax on profit/loss for the year		
Current tax for the year	341,862	69,347
Deferred tax for the year	-775,699	0
Adjustment of deferred tax concerning previous years	716	0
	<u>-433,121</u>	<u>69,347</u>
4 Intangible assets		
DKK	Completed development projects	Development projects in progress
Cost at 1 January 2020	0	2,298,999
Disposals for the year	0	0
Transfers for the year	747,082	-746,082
Cost at 31 December 2020	<u>747,082</u>	<u>1,552,917</u>
Amortisation for the year	-213,576	0
Amortisation and impairment losses at 31 December 2020	-213,576	0
Carrying amount at 31 December 2020	<u>533,506</u>	<u>1,552,917</u>
5 Contractual obligations, contingencies, etc.		
Contingent liabilities		
The Group's Danish entities are severally liable for tax on the Group's jointly taxed income and for certain withholding taxes as dividend tax. The Group as a whole is not liable to any other parties.		
Operating lease obligations		
The Company has entered into operating leases with a remaining term of 5 months and an average monthly lease payments of DKK 23 thousand, totalling DKK 115 thousand.		

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Thomas Tornerup

Direktør

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NEM ID 

Erik Bisgaard Madsen

Bestyrelsesmedlem

På vegne af: Innoflow ApS

Serienummer: PID:9208-2002-2-703535443292

IP: 185.108.xxx.xxx

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NEM ID 

Poul Vagn Carstensen

Bestyrelsesmedlem

På vegne af: Innoflow ApS

Serienummer: PID:9208-2002-2-840940722243

IP: 85.184.xxx.xxx

2021-05-14 11:42:51Z

NEM ID 

Nicklas Pyrdol

Direktør

På vegne af: Innoflow ApS

Serienummer: PID:9208-2002-2-998399123323

IP: 89.23.xxx.xxx

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NEM ID 

Annette Otto

Bestyrelsesformand

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Serienummer: PID:9208-2002-2-054779210607

IP: 80.62.xxx.xxx

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NEM ID 

Tina Herrmann

Bestyrelsesmedlem

På vegne af: Innoflow ApS

Serienummer: PID:9208-2002-2-663894344452

IP: 213.52.xxx.xxx

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NEM ID 

Morten Hoegh-Petersen

Statsautoriseret revisor

På vegne af: KPMG

Serienummer: CVR:25578198-RID:81021550

IP: 83.151.xxx.xxx

2021-05-24 14:13:52Z

NEM ID 

Poul Vagn Carstensen

Dirigent

På vegne af: Innoflow ApS

Serienummer: PID:9208-2002-2-840940722243

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