

GoodMonday ApS

Skelbækgade 2, 6, 1717 København

Annual report

1 January - 31 December 2019

Company reg. no. 39 29 23 86

The annual report was submitted and approved by the general meeting on the 31 August 2020.

Andreas Midtgaard
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 managing director have today presented the annual report of GoodMonday 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.

Copenhagen, 24 August 2020

Managing Director

Mik Strøyberg Harsløf

Board of directors

Thomas John Hart Sehested

Niels Vejrup Carlsen

Bjarke Klinge Staun

Mik Strøyberg Harsløf

Independent auditor's report

To the shareholders of GoodMonday ApS

Opinion

We have audited the annual accounts of GoodMonday ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity 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.

Independent auditor's report

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:

- 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.

Independent auditor's report

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.

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, 24 August 2020

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

The company

GoodMonday ApS
Skelbækgade 2, 6
1717 København

Company reg. no. 39 29 23 86
Financial year: 1 January - 31 December
2nd financial year

Board of directors

Thomas John Hart Sehested
Niels Vejrup Carlsen
Bjarke Klinge Staun
Mik Strøyberg Harsløf

Managing Director

Mik Strøyberg Harsløf

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø

Management commentary

The principal activities of the company

Development and operation of digital solutions within office management.

Functional and well-managed workplaces have never been more important than right now. Building a community, having a place to inject company DNA and develop core skills is now key for creating a healthy setup. Having a workplace management platform to create structure and ease the daily operations to make sure companies have a place to create strong values and a sense of belonging is more important now than ever. GoodMonday is the leading Workspace Management platform created in the belief that all companies deserve the best office services powered by local providers, with all communication, planning, quoting and invoicing made simple and easy.

Development in activities and financial matters

In 2019, GoodMonday's primary focus was on continuous client growth, product development and building a solid foundation for market expansion, starting with London in 2020. Furthermore, GoodMonday closed a DKK 27 million funding round in October to support the expansion to London and scale the product development.

The gross loss for the year is DKK -3.718.693 against DKK -3.561.218 last year. The results from ordinary activities after tax are DKK -10.815.527 against DKK -5.404.062 last year.

The management consider the results satisfactory.

Management commentary

Events subsequent to the financial year

The outbreak of Covid-19 has impacted the demand for office management solutions in the first half of 2020, indisputable with offices closing. However, governments across the EU are now starting to gradually reopen, with employees returning to offices. The continuous reopening of markets and offices, is key for GoodMonday's continuous growth. GoodMonday's management is closely following the reopening and are on a continuous basis assessing the effect of Covid-19 on expected revenues and profit, but it is too early to conclude to what extent the company will be affected in the financial year of 2020.

During Covid-19 GoodMonday released a new platform making it easier for all companies to run their workplace and make sure the ones running the office are as efficient as possible and always in control with everything workplace related. The latest survey shows that office admins save 3-4 hours a week when using the GoodMonday platform.

In March 2020, GoodMonday opened the London office just prior to the pandemic outbreak. It's not an easy task to release a workplace management platform in a new market when all offices are closed down, but despite these challenges with the Covid-19 pandemic, GoodMonday still managed to grow the overall client base by 15% and in June 2020 GoodMonday achieved all time high revenue in our subscription services, evidencing strong rebound from Covid-19 in less than 90 days.

The management believes that in the turmoil of the Covid-19 pandemic, the demand for agile office management solutions will increase, and GoodMonday is well positioned to capture the increasing demand. Therefore, the main objectives for GoodMonday in 2020 are to gain a strong foothold in London and maintain current growth rates in Copenhagen.

Accounting policies

The annual report for GoodMonday 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.

Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

Recognition and measurement in general

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

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

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

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

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

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

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.

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 concern 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

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

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.

Accounting policies

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.

Financial fixed assets

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

Deposits

Deposits are measured at amortised cost and represent rent 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.

Accrued income and deferred expenses

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

Available funds

Available funds comprise cash at bank and in hand.

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.

Accounting policies

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.

Liabilities

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

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross loss	-3.718.693	-3.561.218
1 Staff costs	-8.177.712	-1.837.926
Depreciation and writedown relating to tangible fixed assets	-4.190	-2.095
Operating profit	-11.900.595	-5.401.239
Other financial income	6.115	0
Other financial costs	-53.713	-2.823
Pre-tax net profit or loss	-11.948.193	-5.404.062
2 Tax on net profit or loss for the year	1.132.666	0
Net profit or loss for the year	-10.815.527	-5.404.062
Proposed appropriation of net profit:		
Allocated from retained earnings	-10.815.527	-5.404.062
Total allocations and transfers	-10.815.527	-5.404.062

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Non-current assets		
3 Other plants, operating assets, and fixtures and furniture	14.664	18.854
Total property, plant, and equipment	14.664	18.854
Deposits	60.000	0
Total investments	60.000	0
Total non-current assets	74.664	18.854
Current assets		
Trade debtors	1.824.621	357.034
4 Deferred tax assets	0	0
Receivable corporate tax	1.132.666	0
Other debtors	189.473	418.736
Prepayments and accrued income	1.713	0
Total receivables	3.148.473	775.770
Available funds	26.432.466	10.286.026
Total current assets	29.580.939	11.061.796
Total assets	29.655.603	11.080.650

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
5	Contributed capital	120.631	83.278
	Retained earnings	<u>25.839.542</u>	<u>9.797.938</u>
	Total equity	<u>25.960.173</u>	<u>9.881.216</u>
Liabilities other than provisions			
	Other payables, long	<u>342.291</u>	<u>0</u>
	Total long term liabilities other than provisions	<u>342.291</u>	<u>0</u>
	Trade payables	2.475.582	860.052
	Other payables	<u>877.557</u>	<u>339.382</u>
	Total short term liabilities other than provisions	<u>3.353.139</u>	<u>1.199.434</u>
	Total liabilities other than provisions	<u>3.695.430</u>	<u>1.199.434</u>
	Total equity and liabilities	<u>29.655.603</u>	<u>11.080.650</u>

6 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2018	50.000	0	50.000
Premium on capital increase on 6 February 2018	0	3.285.065	3.285.065
Premium on capital increase on 6 November 2018	0	11.544.545	11.544.545
Cash capital increase	33.278	0	33.278
Profit or loss for the year brought forward	0	-5.404.062	-5.404.062
Premium on capital increase on 13 December 2018	0	372.390	372.390
Equity 1 January 2019	83.278	9.797.938	9.881.216
Cash capital increase	37.353	0	37.353
Profit or loss for the year brought forward	0	-10.815.527	-10.815.527
Premium on capital increase on 3 October 2019	0	26.857.131	26.857.131
	<u>120.631</u>	<u>25.839.542</u>	<u>25.960.173</u>

Notes

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
1. Staff costs		
Salaries and wages	7.961.345	1.806.043
Pension costs	91.466	12.000
Other costs for social security	<u>124.901</u>	<u>19.883</u>
	<u>8.177.712</u>	<u>1.837.926</u>
Average number of employees	<u>18</u>	<u>9</u>
2. Tax on net profit or loss for the year		
The tax on net profit is the value of tax credit scheme applied.		
3. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2019	20.949	0
Additions during the year	<u>0</u>	<u>20.949</u>
Cost 31 December 2019	<u>20.949</u>	<u>20.949</u>
Depreciation and writedown 1 January 2019	-2.095	0
Depreciation for the year	<u>-4.190</u>	<u>-2.095</u>
Depreciation and writedown 31 December 2019	<u>-6.285</u>	<u>-2.095</u>
Book value 31 December 2019	<u>14.664</u>	<u>18.854</u>

4. Deferred tax assets

Tax value of tax loss carried forward, DKK 2,42 million, is not recognised as there is uncertainty as to when the losses can be used.

5. Contributed capital

The share capital consists of 6.393.240 A-shares by DKK 0,01 per share, DKK 63.932,40 and 1.934.520 B-shares of DKK 0,01, DKK 19.345,20.

The share capital has been expanded by capital increases on 6 February 2018, nom. DKK 7.621,96

On November 6, 2018, the existing share capital is divided and transferred to A-shares.

Notes

All amounts in DKK.

31/12 2019

31/12 2018

November 6, 2018, the share capital is increased by nom. DKK 6.310,44 A-shares and DKK 15.113,44 B-shares.

On December 13, 2018, the share capital increased by DKK 4.231,76 B-shares.

On February 5, 2018, it was decided to allocate up to 1.051.740 warrants of DKK 0,01 at a price of 100. Of these, 631.044 warrants were utilized in 2018, and 420.696 warrants remain.

On November 6, 2018, it was decided to authorize the board of directors in the time until October 1, 2023 to issue up to 730.137 warrants of DKK 0,01 at a price of DKK 100.

On October 3, 2019, the share capital has been expanded by capital increases, nom. DKK 37.353,45 C-shares by DKK 0.01 per share.

Remaining warrants per 31. december 2019, amount to nominally DKK 537.323.

6. Contingencies

Contingent liabilities

The company has no contingent liabilities or collateral per 31 December 2019.