

Legal Monster ApS

Njalsgade 21E 5., 2300 København S

CVR no. 39 58 74 08

**Annual report for the period
1 January to 31 December 2021**

Adopted at the annual general meeting on 28 June
2022

Lars Lüthjohan
chairman



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Legal Monster ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 31 May 2022

Executive board

Stine Mangor Tommark

Søren Laust Finnemann Viuff

Supervisory board

Kasper Asbjørn Heine
chairman

Helle Lund Uth

Anders Frejo Jørgensen

Stine Mangor Tommark

Jan Nicolaas Andriessen

Independent auditor's report

To the shareholders of Legal Monster ApS

Opinion

We have audited the financial statements of Legal Monster ApS for the financial year 1 January - 31 December 2021, 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (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 and IESBA Code. 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.

Independent auditor's report

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 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.

Independent auditor's report

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.

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, 31 May 2022

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
State Authorized Public Accountant
MNE no. mne34482

Company details

The company	Legal Monster ApS Njalsgade 21E 5. 2300 København S CVR no.: 39 58 74 08 Reporting period: 1 January - 31 December 2021 Incorporated: 18 May 2018 Domicile: Copenhagen
Supervisory board	Kasper Asbjørn Heine, chairman Helle Lund Uth Anders Frejo Jørgensen Stine Mangor Tommark Jan Nicolaas Andriessen
Executive board	Stine Mangor Tommark Søren Laust Finnemann Viuff
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The Company's main activity is development and sales of software systems.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 7.000.623, and the balance sheet at 31 December 2021 shows equity of DKK 2.575.049.

Taking COVID-19 into consideration which affected the company, the development for 2021 has been as expected with growth in revenue and organization. 2022 is expected to be a year of continued growth both in revenue and organisation.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit		-853.437	-384.807
Staff costs	1	-6.414.564	-4.648.282
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-15.920	-15.980
Profit/loss before net financials		-7.283.921	-5.049.069
Financial income		10	0
Financial costs		-495.072	-79.754
Profit/loss before tax		-7.778.983	-5.128.823
Tax on profit/loss for the year	2	778.360	836.914
Profit/loss for the year		-7.000.623	-4.291.909
Recommended appropriation of profit/loss			
Retained earnings		-7.000.623	-4.291.909
		-7.000.623	-4.291.909

Balance sheet 31 December

	Note	2021	2020
		DKK	DKK
Assets			
Other fixtures and fittings, tools and equipment		0	15.920
Tangible assets	3	0	15.920
Deposits	4	77.604	77.604
Fixed asset investments		77.604	77.604
Total non-current assets		77.604	93.524
Trade receivables		46.947	0
Other receivables		80.415	289.598
Corporation tax		778.360	836.914
Prepayments		52.284	23.164
Receivables		958.006	1.149.676
Cash at bank and in hand		15.159.501	6.499.175
Total current assets		16.117.507	7.648.851
Total assets		16.195.111	7.742.375

Balance sheet 31 December

	Note	2021	2020
		DKK	DKK
Equity and liabilities			
Share capital		71.490	70.864
Retained earnings		2.503.559	2.782.328
Equity		2.575.049	2.853.192
Other credit institutions		12.633.966	3.772.736
Total non-current liabilities	5	12.633.966	3.772.736
Trade payables		0	39.632
Other payables		679.589	992.296
Deferred income		306.507	84.519
Total current liabilities		986.096	1.116.447
Total liabilities		13.620.062	4.889.183
Total equity and liabilities		16.195.111	7.742.375
Contingent liabilities	6		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	70.866	0	2.782.328	2.853.194
Cash capital increase	9.982	6.712.496	0	6.722.478
Capital decrease	-9.358	0	9.358	0
Net profit/loss for the year	0	0	-7.000.623	-7.000.623
Transfer from share premium account	0	-6.712.496	6.712.496	0
Equity at 31 December	71.490	0	2.503.559	2.575.049

Notes

	2021	2020
	DKK	DKK
1 Staff costs		
Wages and salaries	5.832.592	4.300.775
Pensions	298.820	154.340
Other social security costs	81.878	81.440
Other staff costs	201.274	111.727
	6.414.564	4.648.282
Average number of employees	12	8
2 Tax on profit/loss for the year		
Current tax for the year	-778.360	-836.914
	-778.360	-836.914
3 Tangible assets		
		Other fixtures and fittings, tools and equipment
		DKK
Cost at 1 January		35.900
Cost at 31 December		35.900
Impairment losses and depreciation at 1 January		19.980
Depreciation for the year		15.920
Impairment losses and depreciation at 31 December		35.900
Carrying amount at 31 December		0

Notes

4 Fixed asset investments

	<u>Deposits</u> DKK
Cost at 1 January	<u>77.604</u>
Cost at 31 December	<u>77.604</u>
Carrying amount at 31 December	<u><u>77.604</u></u>

5 Long term debt

	<u>Debt</u> <u>at 1 January</u> DKK	<u>Debt</u> <u>at 31 December</u> DKK	<u>Instalment next</u> <u>year</u> DKK	<u>Debt</u> <u>outstanding</u> <u>after 5 years</u> DKK
Other credit institutions	<u>3.772.736</u>	<u>12.633.966</u>	<u>0</u>	<u>1.547.150</u>
	<u><u>3.772.736</u></u>	<u><u>12.633.966</u></u>	<u><u>0</u></u>	<u><u>1.547.150</u></u>

6 Contingent liabilities

The company has entered into rent commitments for T.DKK 78.

Accounting policies

The annual report of Legal Monster ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

The annual report for 2021 is presented in DKK

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.

Income statement

Revenue

Income from the sale 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 operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

Accounting policies

Other external costs

Other external costs include expenses related to sale, advertising, administration etc.

Other external costs also comprise research and development costs that do not qualify for capitalisation.

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses etc.

Tax on profit/loss for the year

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.

Balance sheet

Tangible assets

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	4 years
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Accounting policies

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

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.

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 is measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other 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.

Accounting policies

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 instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and 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.