

Legal Monster ApS

Højbro Plads 10, 1200 København K

CVR no. 39 58 74 08

**Annual report for the period
1 January to 31 December 2019**

Adopted at the annual general meeting on 9 July
2020

Lars Luthjohan Jensen
chairman



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Ledelsespåtegning

Bestyrelsen og direktionen har dags dato behandlet og godkendt årsrapporten for regnskabsåret 1 January - 31 December 2019 for Legal Monster ApS.

Årsrapporten aflægges i overensstemmelse med årsregnskabsloven.

Det er vores opfattelse, at årsregnskabet giver et retvisende billede af selskabets aktiver, passiver og finansielle stilling pr. 31 December 2019 og resultatet af selskabets aktiviteter for regnskabsåret 1 January - 31 December 2019.

Ledelsesberetningen indeholder efter vores opfattelse en retvisende redegørelse for de forhold, beretningen omhandler.

Årsrapporten indstilles til generalforsamlingens godkendelse.

Copenhagen, den 16. June 2020

Direktion

Niklas Ian Stephenson

Søren Laust Finnemann Viuff

Bestyrelse

Kasper Asbjørn Heine
chairman

Jan Nicolaas Andriessen

Helle Lund Uth

Stine Mangor Tornmark

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 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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, 16 June 2020

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
statsautoriseret revisor
MNE no. mne34482

Company details

The company	Legal Monster ApS Højbro Plads 10 1200 København K CVR no.: 39 58 74 08 Reporting period: 1 January - 31 December 2019 Incorporated: 18. May 2018 Domicile: Copenhagen
Supervisory board	Kasper Asbjørn Heine, chairman Jan Nicolaas Andriessen Helle Lund Uth Stine Mangor Tornmark
Executive board	Niklas Ian Stephenson 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 2019 shows a loss of DKK 3.802.246, and the balance sheet at 31 December 2019 shows equity of DKK 4.253.335.

Significant events occurring after the end of the financial year

After expiry of the financial year, there has been an outbreak and spread of the coronavirus due to the COVID-19 pandemic. However, the company is not expected to be significantly affected by the outbreak. Although we are at an early stage in terms of assessing the impact, management still expects that the outbreak will have no considerable financial impact on the company during the financial year ahead.

No other events have occurred which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2019 kr. (12 mdr.)	2018 kr. (8 mdr.)
Gross profit		-1.025.909	-142.671
Staff costs	1	-3.499.125	-288.118
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-4.000	0
Profit/loss before net financials		-4.529.034	-430.789
Financial costs		-35.127	-19
Profit/loss before tax		-4.564.161	-430.808
Tax on profit/loss for the year	2	761.915	83.908
Profit/loss for the year		-3.802.246	-346.900
Recommended appropriation of profit/loss			
Retained earnings		-3.802.246	-346.900
		-3.802.246	-346.900

Balance sheet 31 December

	Note	2019 DKK	2018 DKK
Assets			
Other fixtures and fittings, tools and equipment		12.000	0
Tangible assets	3	12.000	0
Deposits		0	24.000
Fixed asset investments		0	24.000
Fixed assets total		12.000	24.000
Other receivables		23.567	10.560
Corporation tax		761.915	83.908
Prepayments		85.743	0
Receivables		871.225	94.468
Cash at bank and in hand		4.042.544	4.351.449
Current assets total		4.913.769	4.445.917
Assets total		4.925.769	4.469.917

Balance sheet 31 December

	Note	2019	2018
		DKK	DKK
Equity and liabilities			
Share capital		65.490	58.637
Retained earnings		4.187.845	4.296.323
Equity		4.253.335	4.354.960
Other payables		149.767	0
Total non-current liabilities		149.767	0
Trade payables		170.117	34.339
Other payables		332.550	68.618
Deposits		20.000	12.000
Total current liabilities		522.667	114.957
Debt total		672.434	114.957
Equity and liabilities total		4.925.769	4.469.917
Contingent liabilities	4		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	58.637	0	4.296.323	4.354.960
Cash capital increase	6.853	3.693.768	0	3.700.621
Net profit/loss for the year	0	0	-3.802.246	-3.802.246
Transfer from share premium account	0	-3.693.768	3.693.768	0
Equity at 31 December	65.490	0	4.187.845	4.253.335

Notes

	2019 kr. (12 mdr.)	2018 kr. (8 mdr.)
1 Staff costs		
Wages and salaries	3.265.093	272.108
Pensions	59.450	6.000
Other social security costs	28.999	1.325
Other staff costs	145.583	8.685
	3.499.125	288.118
Average number of employees	6	1
2 Tax on profit/loss for the year		
Current tax for the year	-761.915	-83.908
	-761.915	-83.908
3 Tangible assets		
		Other fixtures and fittings, tools and equipment
		DKK
Cost at 1 January		0
Additions for the year		16.000
Cost at 31 December		16.000
Impairment losses and depreciation at 1 January		0
Depreciation for the year		4.000
Impairment losses and depreciation at 31 December		4.000
Carrying amount at 31 December		12.000

Notes

4 Contingent liabilities

The company has entered into rent commitments for DKK 75k.

Accounting policies

The annual report of Legal Monster ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

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

The annual report for 2019 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

Gross profit

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

Gross profit reflects an aggregation of revenue and other external expenses.

Accounting policies

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 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.

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. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Accounting policies

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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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.

Liabilities

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

Foreign currency translation

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

Accounting policies

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.