



POTTER CLARKSON A/S  
Havnegade 39, kl.  
1058 København K

Annual report for 2019

Adopted at the annual general meeting on  
31 August 2020

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chairman

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## **STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT**

The supervisory and executive boards have today discussed and approved the annual report of Potter Clarkson A/S for the financial year 1 January - 31 December 2019.

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 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

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 August 2020

### **Executive board**

Jonathan Eric Mizen  
director

### **Supervisory board**

Colin John Baker  
chairman

Stephen Edward Smith

Andrew Thomas Argyle

# INDEPENDENT AUDITOR'S REPORT

*To the shareholder of Potter Clarkson A/S*

## Opinion

We have audited the financial statements of Potter Clarkson A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, 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.

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:

## INDEPENDENT AUDITOR'S REPORT

- 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.

### **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.

## **INDEPENDENT AUDITOR'S REPORT**

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 August 2020

**MAZARS**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 31 06 17 41

Kurt Christensen  
statsautoriseret revisor  
MNE no. mne26824

## **COMPANY DETAILS**

The company                      Potter Clarkson A/S  
    Havnegade 39, kl.  
    1058 København K

CVR no.:                        39 59 49 78

Reporting period:            1 January - 31 December 2019

Domicile:                        Copenhagen

Supervisory board                Colin John Baker, chairman  
    Stephen Edward Smith  
    Andrew Thomas Argyle

Executive board                 Jonathan Eric Mizen, director

Auditors                         Mazars  
    Statsautoriseret Revisionspartnerselskab  
    Midtermolen 1, 2.tv.  
    2100 København Ø

## **MANAGEMENT'S REVIEW**

### **Business review**

Potter Clarkson A/S is part of the UK based Potter Clarkson Group, that provides professional services as patent and trade mark attorneys and intellectual property lawyers.

### **Financial review**

The company's income statement for the year ended 31 December 2019 shows a profit of DKK 780.939, and the balance sheet at 31 December 2019 shows equity of DKK 517.940.

### **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.

# ACCOUNTING POLICIES

The annual report of Potter Clarkson A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B 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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, payments under operating leases, etc.

### **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.

# ACCOUNTING POLICIES

## **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, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, 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**

Items of plant and machinery and 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.

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

Other fixtures and fittings, tools and equipment	1,5-6 years
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Assets costing less than DKK 13.800 are expensed in the year of acquisition.

### **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.

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

# **ACCOUNTING POLICIES**

## **Equity**

### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

## **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 according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

## **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.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	25 May - 31 December	2018 DKK
<b>Gross profit</b>		<b>4.113.984</b>	<b>-201.836</b>	
Staff costs	1	-3.408.434	-613.562	
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>705.550</b>	<b>-815.398</b>	
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-101.176	-544	
<b>Profit/loss on ordinary activities before fair value adjustments</b>		<b>604.374</b>	<b>-815.942</b>	
<b>Profit/loss before net financials</b>		<b>604.374</b>	<b>-815.942</b>	
Financial income		202.236	53.856	
Financial costs	2	-4.617	-913	
<b>Profit/loss before tax</b>		<b>801.993</b>	<b>-762.999</b>	
Tax on profit/loss for the year		-21.054	0	
<b>Profit/loss for the year</b>		<b>780.939</b>	<b>-762.999</b>	
Retained earnings		780.939	-762.999	
		<b>780.939</b>	<b>-762.999</b>	

## BALANCE SHEET 31 DECEMBER

	<u>Note</u>	2019 DKK	25 May - 31 December
		2018 DKK	
<b>ASSETS</b>			
Other fixtures and fittings, tools and equipment		70.847	9.283
<b>Tangible assets</b>		<b>70.847</b>	<b>9.283</b>
Deposits		185.028	152.628
<b>Fixed asset investments</b>		<b>185.028</b>	<b>152.628</b>
<b>Total non-current assets</b>		<b>255.875</b>	<b>161.911</b>
Trade receivables		1.248.070	743.878
VAT and duties receivables		86.822	190.689
<b>Receivables</b>		<b>1.334.892</b>	<b>934.567</b>
<b>Cash at bank and in hand</b>		<b>1.073.120</b>	<b>463.448</b>
<b>Total current assets</b>		<b>2.408.012</b>	<b>1.398.015</b>
<b>Total assets</b>		<b>2.663.887</b>	<b>1.559.926</b>

## BALANCE SHEET 31 DECEMBER

	Note	2019 DKK	25 May - 31 December
		2018 DKK	
<b>EQUITY AND LIABILITIES</b>			
Share capital		500.000	500.000
Retained earnings		17.940	-762.999
<b>Equity</b>	3	<b>517.940</b>	<b>-262.999</b>
Other payables		95.118	0
<b>Total non-current liabilities</b>		<b>95.118</b>	<b>0</b>
Trade payables		538.190	27.473
Payables to subsidiaries		895.309	1.744.384
Corporation tax		21.054	0
Other payables		596.276	51.068
<b>Total current liabilities</b>		<b>2.050.829</b>	<b>1.822.925</b>
<b>Total liabilities</b>		<b>2.145.947</b>	<b>1.822.925</b>
<b>Total equity and liabilities</b>		<b>2.663.887</b>	<b>1.559.926</b>
Contingent liabilities	4		
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## NOTES

	2019 DKK	25 May - 31 December	2018 DKK
<b>1 STAFF COSTS</b>			
Wages and salaries	2.990.484	533.198	
Pensions	349.246	62.482	
Other social security costs	68.704	17.882	
	<u>3.408.434</u>	<u>613.562</u>	
Average number of employees	3	2	
<b>2 FINANCIAL COSTS</b>			
Exchange adjustments costs	4.617	913	
	<u>4.617</u>	<u>913</u>	
<b>3 EQUITY</b>			
	Share capital	Retained earnings	Total
Equity at 1 January 2019	500.000	-762.999	-262.999
Net profit/loss for the year	0	780.939	780.939
Equity at 31 December 2019	<u>500.000</u>	<u>17.940</u>	<u>517.940</u>

### 4 CONTINGENT LIABILITIES

#### **Operating lease obligations**

The Company has entered into operating leases with a remaining term of 7 months and an average monthly lease payments of DKK 86 thousand, totalling DKK 600 thousand.

## **NOTES**

### **5 RELATED PARTIES AND OWNERSHIP STRUCTURE**

#### **Controlling interest**

Potter Clarkson A/S' related parties comprise the following:

Potter Clarkson IP Limited, Nottingham, NG1 5GG, Great Britain

Potter Clarkson IP Limited holds the majority of the contributed capital in the Company

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Jonathan Eric Mizen  
Som Direktør  
IP-adresse: 79.67.149.196:32330  
Tidspunkt for underskrift: 28-08-2020 kl.: 17:59:25  
Underskrevet med esignatur EasySign



Andrew Thomas Argyle  
Som Dirigent  
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Tidspunkt for underskrift: 28-08-2020 kl.: 16:49:23  
Underskrevet med esignatur EasySign



Andrew Thomas Argyle  
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IP-adresse: 86.151.216.8:37627  
Tidspunkt for underskrift: 28-08-2020 kl.: 16:49:23  
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Stephen Edward Smith  
Som Bestyrelsesmedlem  
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## Kurt Christensen

Som Revisor  
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