



Black Lemon ApS

Per Henrik Lings Allé 4, 5.
2100 København Ø
CVR No. 40023070

Annual report 2022

The Annual General Meeting adopted the
annual report on 29.06.2023

Jonas Tofte Bøndergaard

Chairman of the General Meeting

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Entity details

Entity

Black Lemon ApS
Per Henrik Lings Allé 4, 5.
2100 København Ø

Business Registration No.: 40023070
Registered office: København
Financial year: 01.01.2022 - 31.12.2022

Executive Board

Nicki Due-Rasmussen
Emil Ignatzi Reinholdt

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of Black Lemon ApS for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.06.2023

Executive Board

Nicki Due-Rasmussen

Emil Ignatzi Reinholdt

Independent auditor's report

To the shareholders of Black Lemon ApS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Black Lemon ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

Effective from this financial year, the Entity is required to have its financial statements audited. We point out that, as disclosed in the financial statements, the comparative figures in the financial statements have not been audited.

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 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Report on other legal and regulatory requirements and other reporting responsibilities

Non-compliance with the provisions of the Danish Companies Act on loans to owners

Contrary to the Danish Companies Act, the Entity has granted a loan to former owners, for which Management may be held liable. Loans have been fully repaid i 2022.

Copenhagen, 29.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Henrik Hartmann Olesen

State Authorised Public Accountant

Identification No (MNE) mne34143

Management commentary

Primary activities

Black Lemon's main activities are conducting business with digital marketing and strategy.

Description of material changes in activities and finances

The Entity's income statement for the financial year 01.01.2022 - 31.12.2022, exhibits a result (profit) of 2,991,882 DKK, and the entity's balance on 31.12.2022 exhibits a total of 8,120,770 DKK and an equity on 4,875,101 DKK.

Outlook

The management is guiding for an improved EBITDA after normalisations in 2023.

Group relations

The Entity was acquired by Obsidian Group as of the 29th of March 2022.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		10,046,733	6,221,814
Staff costs	1	(6,037,071)	(3,458,493)
Depreciation, amortisation and impairment losses		(10,440)	0
Operating profit/loss		3,999,222	2,763,321
Other financial income		141,145	0
Other financial expenses		(52,048)	(9,828)
Profit/loss before tax		4,088,319	2,753,493
Tax on profit/loss for the year	2	(1,096,437)	(605,764)
Profit/loss for the year		2,991,882	2,147,729
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		2,600,000	0
Extraordinary dividend distributed in the financial year		1,500,000	0
Retained earnings		(1,108,118)	2,147,729
Proposed distribution of profit and loss		2,991,882	2,147,729

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Development projects in progress	4	1,121,352	495,474
Intangible assets	3	1,121,352	495,474
Other fixtures and fittings, tools and equipment		31,319	0
Property, plant and equipment		31,319	0
Deposits		0	95,300
Financial assets		0	95,300
Fixed assets		1,152,671	590,774
Trade receivables		2,401,731	2,746,345
Contract work in progress		1,081,822	0
Receivables from group enterprises		0	26,826
Other receivables		19,274	0
Prepayments		727	16,990
Receivables		3,503,554	2,790,161
Cash		3,464,545	1,451,563
Current assets		6,968,099	4,241,724
Assets		8,120,770	4,832,498

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		50,000	50,000
Reserve for development expenditure		874,655	495,474
Retained earnings		1,350,446	2,117,810
Proposed dividend		2,600,000	0
Equity		4,875,101	2,663,284
Deferred tax		223,584	80,134
Provisions		223,584	80,134
Prepayments received from customers		384,323	0
Trade payables		74,973	159,088
Payables to group enterprises		477,714	0
Income tax payable		0	496,760
Joint taxation contribution payable		952,987	0
Other payables		1,132,088	1,433,232
Current liabilities other than provisions		3,022,085	2,089,080
Liabilities other than provisions		3,022,085	2,089,080
Equity and liabilities		8,120,770	4,832,498
Contingent liabilities	5		
Receivables from management category repaid during the financial year	6		

Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend DKK
Equity beginning of year	50,000	495,474	2,117,810	0	0
Extraordinary dividend paid	0	0	0	(1,500,000)	0
Group contributions etc.	0	0	719,935	0	0
Transfer to reserves	0	379,181	(379,181)	0	0
Profit/loss for the year	0	0	(1,108,118)	1,500,000	2,600,000
Equity end of year	50,000	874,655	1,350,446	0	2,600,000

	Total DKK
Equity beginning of year	2,663,284
Extraordinary dividend paid	(1,500,000)
Group contributions etc.	719,935
Transfer to reserves	0
Profit/loss for the year	2,991,882
Equity end of year	4,875,101

Notes

1 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	5,511,055	3,185,787
Other social security costs	121,690	52,005
Other staff costs	404,326	220,701
	6,037,071	3,458,493
Average number of full-time employees	8	6

2 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Current tax	952,987	496,760
Change in deferred tax	143,450	109,004
	1,096,437	605,764

3 Intangible assets

	Development projects in progress
	DKK
Cost beginning of year	495,474
Additions	625,878
Cost end of year	1,121,352
Carrying amount end of year	1,121,352

4 Development projects

The cost price of development projects is derived from time spend from internal developers and expressed in man-hours and the cost of a man-hour for development of the Group's main software assets and platform for efficient work and analysis related to technologies in the marketing industry.

5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Topco O ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

6 Receivables from management category repaid during the financial year

The entity has had receivables from former owners throughout the year. The ownership changed in the

beginning of 2022.

The receivable was formed as of part of paying an extraordinary dividend to the previous owners in January 2022 before selling the entity. Because of the lack of free reserves the dividend was declared invalid.

No terms have been agreed for interest or repayment for the loans. The interest has been fixed to 11.4 percent according to Danish law. The loan has been fully repaid and settled on 14th November 2022.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Effective from this financial year, the Entity is required to have its financial statements audited. The comparative figures in the financial statements, including disclosures in the notes, have not been audited.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 Years

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.