



Lexlucy ApS

Adelgade 12, 2.
1304 Copenhagen
CVR No. 40082522

Annual report 2020

The Annual General Meeting adopted the
annual report on 15.04.2021

Pernille Winding Gojkovic
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2020	7
Balance sheet at 31.12.2020	8
Statement of changes in equity for 2020	10
Notes	11
Accounting policies	12

Entity details

Entity

Lexlucy ApS

Adelgade 12, 2.

1304 Copenhagen

CVR No.: 40082522

Date of foundation: 07.12.2018

Registered office: Copenhagen

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Jens Viktor Nørgaard, Chairman

Susanne Høiberg

Nicolai Winding Andersen

Louise Yung Aagaard

Thomas Jiaqian Zheng

Executive Board

Pernille Winding Gojkovic, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Lexlucy ApS for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 15.04.2021

Executive Board

Pernille Winding Gojkovic
Chief Executive Officer

Board of Directors

Jens Viktor Nørgaard
Chairman

Susanne Høiberg

Nicolai Winding Andersen

Louise Yung Aagaard

Thomas Jiaqian Zheng

Independent auditor's extended review report

To the shareholders of Lexlucy ApS

Conclusion

We have performed an extended review of the financial statements of Lexlucy ApS for the financial year 01.01.2020 - 31.12.2020, 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review 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 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.

Copenhagen, 15.04.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Stine Eva Grothen

State Authorised Public Accountant
Identification No (MNE) mne29431

Management commentary

Primary activities

The object of the Company is to develop and sell, directly or through shareholding in other companies, software for processing and automating intellectual property and, in the opinion of the Board of Directors, other related business.

Development in activities and finances

A loss of DKK 36 thousand was realised in 2020, which is in line with expectations as the activities are still undergoing a phase of development.

Given the loss for the year, the Company has lost its equity, which is negative by DKK 53 thousand at the end of the year. The Company expects to restore the equity through its own operations once the software development has been completed and revenue from sales can be generated.

The Company has received a letter of indemnity from its shareholders that debt to group enterprises will be subordinated compared to other creditors. Consequently, the annual report is presented on the assumption that the company is going concern.

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 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(39,696)	(163,799)
Other financial expenses	2	(17,131)	(12,541)
Profit/loss before tax		(56,827)	(176,340)
Tax on profit/loss for the year	3	21,121	11,591
Profit/loss for the year		(35,706)	(164,749)
Proposed distribution of profit and loss			
Retained earnings		(35,706)	(164,749)
Proposed distribution of profit and loss		(35,706)	(164,749)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Development projects in progress	5	683,627	553,036
Intangible assets	4	683,627	553,036
Fixed assets		683,627	553,036
Deferred tax		0	11,591
Other receivables		4,226	9,463
Receivables		4,226	21,054
Cash		167,660	133,464
Current assets		171,886	154,518
Assets		855,513	707,554

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		50,000	50,000
Reserve for development expenditure		533,229	431,368
Retained earnings		(636,184)	(498,617)
Equity		(52,955)	(17,249)
Deferred tax		88,956	0
Provisions		88,956	0
Trade payables		20,000	20,000
Payables to group enterprises		797,660	702,020
Deferred income		1,852	2,783
Current liabilities other than provisions		819,512	724,803
Liabilities other than provisions		819,512	724,803
Equity and liabilities		855,513	707,554

Going concern

1

Statement of changes in equity for 2020

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	431,368	(498,617)	(17,249)
Transfer to reserves	0	101,861	(101,861)	0
Profit/loss for the year	0	0	(35,706)	(35,706)
Equity end of year	50,000	533,229	(636,184)	(52,955)

Notes

1 Going concern

A loss of DKK 36 thousand was realised in 2020, which is in line with expectations as the activities are still undergoing a phase of development.

Given the loss for the year, the Company has lost its equity, which is negative by DKK 53 thousand at the end of the year. The Company expects to restore the equity through its own operations once the software development has been completed and revenue from sales can be generated.

The Company has received a letter of indemnity from its shareholders that debt to group enterprises will be subordinated compared to other creditors. Consequently, the annual report is presented on the assumption that the Company is a going concern.

2 Other financial expenses

	2020	2019
	DKK	DKK
Financial expenses from group enterprises	15,640	11,951
Other interest expenses	1,491	590
	17,131	12,541

3 Tax on profit/loss for the year

	2020	2019
	DKK	DKK
Change in deferred tax	(21,121)	(11,591)
	(21,121)	(11,591)

4 Intangible assets

	Development projects in progress
	DKK
Cost beginning of year	553,036
Additions	130,591
Cost end of year	683,627
Carrying amount end of year	683,627

5 Development projects

The aim of LexLucy's development project is the generation of semi-automated patent application drafting program and user interface. During the financial year the first steps in the process have been completed and the remaining process steps are expected to be completed within a short number of years.

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 certain provisions for reporting class C.

The accounting policies applied to these financial statements are listed below.

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 cost of sales and other external expenses.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises 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.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects 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 under Reserve for development costs that is reduced as the development projects are amortised and written down.

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

Receivables

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

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.

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.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.