



Proveo Tech A/S

Godthåbsvej 33
8660 Skanderborg
CVR No. 40365826

Annual report 2021

The Annual General Meeting adopted the
annual report on 10.06.2022

Martin Skovgaard Hansen

Chairman of the General Meeting

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Entity details

Entity

Proveo Tech A/S

Godthåbsvej 33

8660 Skanderborg

Business Registration No.: 40365826

Registered office: Skanderborg

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Martin Skovgaard Hansen

Børge Sørensen

Executive Board

Martin Skovgaard Hansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Proveo Tech A/S for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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.

Skanderborg, 10.06.2022

Executive Board

Martin Skovgaard Hansen

Board of Directors

Martin Skovgaard Hansen

Børge Sørensen

Independent auditor's report

To the shareholders of Proveo Tech A/S

Opinion

We have audited the financial statements of Proveo Tech A/S for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

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.

Aarhus, 10.06.2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Jonas Thøstesen Svensson

State Authorised Public Accountant

Identification No (MNE) mne47824

Management commentary

Primary activities

The company's purpose is to offer administration, analyzer and related services as well as any activity that, in the opinion of the management, is related to this.

Development in activities and finances

The result for the financial year was a profit of DKK 3.098 thousand, which is assessed by management as expected.

Based on current customer contracts, Management expects increased profit and improved cashflow for the year to come.

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 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		5,863,311	6,320,028
Staff costs	1	(556,793)	(4,645,596)
Depreciation, amortisation and impairment losses		(1,551,177)	(867,890)
Operating profit/loss		3,755,341	806,542
Other financial income	2	1,454	0
Financial expenses from group enterprises		(12,945)	(160,561)
Other financial expenses		(48,377)	(4,521)
Profit/loss before tax		3,695,473	641,460
Tax on profit/loss for the year	3	(597,296)	103,216
Profit/loss for the year		3,098,177	744,676
Proposed distribution of profit and loss			
Retained earnings		3,098,177	744,676
Proposed distribution of profit and loss		3,098,177	744,676

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Completed development projects	5	9,876,920	4,838,987
Development projects in progress	5	868,155	3,702,414
Intangible assets	4	10,745,075	8,541,401
Deposits		0	12,000
Financial assets		0	12,000
Fixed assets		10,745,075	8,553,401
Trade receivables		3,107,544	3,237,755
Receivables from group enterprises		292,329	503,671
Other receivables		5,208	0
Income tax receivable		616,507	616,507
Prepayments		6,756	0
Receivables		4,028,344	4,357,933
Cash		2,178,707	122,063
Current assets		6,207,051	4,479,996
Assets		16,952,126	13,033,397

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		500,000	500,000
Reserve for development expenditure		8,381,159	6,662,293
Retained earnings		2,497,945	1,118,634
Equity		11,379,104	8,280,927
Deferred tax		2,364,005	1,766,000
Provisions		2,364,005	1,766,000
Other payables		695,275	695,275
Non-current liabilities other than provisions		695,275	695,275
Trade payables		806,253	898,544
Payables to group enterprises		12,500	0
Income tax payable		83,343	0
Other payables		1,611,646	1,392,651
Current liabilities other than provisions		2,513,742	2,291,195
Liabilities other than provisions		3,209,017	2,986,470
Equity and liabilities		16,952,126	13,033,397
Contingent liabilities	6		
Assets charged and collateral	7		
Group relations	8		

Statement of changes in equity for 2021

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	6,662,293	1,118,634	8,280,927
Transfer to reserves	0	1,718,866	(1,718,866)	0
Profit/loss for the year	0	0	3,098,177	3,098,177
Equity end of year	500,000	8,381,159	2,497,945	11,379,104

Notes

1 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	1,218,394	5,592,878
Pension costs	171,699	493,101
Other social security costs	9,997	39,856
Other staff costs	39,449	204,276
	1,439,539	6,330,111
Staff costs classified as assets	(882,746)	(1,684,515)
	556,793	4,645,596
Average number of full-time employees	3	12

2 Other financial income

	2021 DKK	2020 DKK
Financial income from group enterprises	1,454	0
	1,454	0

3 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	83,343	702,138
Change in deferred tax	487,000	(805,354)
Adjustment concerning previous years	26,953	0
	597,296	(103,216)

4 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	6,075,233	3,702,414
Transfers	6,589,110	(6,589,110)
Additions	0	3,754,851
Cost end of year	12,664,343	868,155
Amortisation and impairment losses beginning of year	(1,236,246)	0
Amortisation for the year	(1,551,177)	0
Amortisation and impairment losses end of year	(2,787,423)	0
Carrying amount end of year	9,876,920	868,155

5 Development projects

Development projects in progress include the development of a new integrations and features to the completed development projects. The development project essentially concentrates on costs in the form of direct salaries and other costs recorded through the company's internal project module. It is the management's assessment that it is technically possible to complete the development project in progress.

As at 31.12.2021, the carrying amount totals 9.876.920 t.kr. The software platform is expected to bring significant competitive advantages and thus a significant increase in the level of activity and performance of the company in subsequent periods.

6 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement from 01.10.2020. 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 these entities.

7 Assets charged and collateral

No assets charged and collateral.

8 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Globalance Bank AG, Zurich Switerland.

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.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. tion reserve in equity.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue relates to the administration fee and royalty of affiliates in connection with the use of the Company's platform, these are recognised in the profit and loss account once delivery to the buyer has taken place. Net sales are recognised net of VAT, taxes and discounts on sales and measured at fair value of the fixed remuneration.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies.

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 assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises dividends received on interest income on receivables from group enterprises etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses 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 until 30.09.2020. 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, as well as completed development projects.

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.

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.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 7 years.

Receivables

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

Tax payable or receivable

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

Prepayments

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

Cash

Cash comprises bank deposits.

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.

Other financial liabilities

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