



GoodMonday ApS

Landgreven 3, 1.th.
1301 Copenhagen K
CVR No. 39292386

Annual report 2020

The Annual General Meeting adopted the
annual report on 31.05.2021

Andreas Midtgaard

Chairman of the General Meeting

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Entity details

Entity

GoodMonday ApS
Landgreven 3, 1.th.
1301 Copenhagen K

CVR No.: 39292386
Registered office: Copenhagen
Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Thomas John Hart Sehested, Chairman
Bjarke Klinge Staun
Niels Vejrup Carlsen
Mik Strøyberg Harsløf

Executive Board

Mik Strøyberg Harsløf, CEO

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 GoodMonday 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, 31.05.2021

Executive Board

Mik Strøyberg Harsløf
CEO

Board of Directors

Thomas John Hart Sehested
Chairman

Bjarke Klinge Staun

Niels Vejrup Carlsen

Mik Strøyberg Harsløf

Independent auditor's report

To the shareholders of GoodMonday ApS

Opinion

We have audited the financial statements of GoodMonday 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.

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 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 of 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 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.

Copenhagen, 31.05.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State-Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

Development and operation of digital solutions within workspace management.

Functional and well-managed workplaces have never been more important than right now. Building a community, having a place to inject company DNA and develop core skills is now key for creating a healthy and flexible setup. Having a workplace management platform to create structure and ease the daily operations to make sure companies have a place to create strong values and a sense of belonging is more important now than ever. GoodMonday is the leading Workspace Management platform created in the belief that all companies deserve the best office services powered by local providers, with all communication, planning, quoting, and invoicing made simple and easy.

Development in activities and finances

The financial year 2020 was in the shadows of the Covid-19 pandemic, a challenge that few had anticipated. The pandemic turned business upside down and has redefined the way workplaces are used with an increased complexity of running an office. During this challenging year, GoodMonday's primary focus was on cost control, continuous customer growth across our markets and product development that accommodate the increased workplace complexity.

In the financial year 2020, we managed to grow our consolidated customer base by 82% from January 2020 to the end of December 2020. In addition, we have developed new features to be released in the financial year 2021 to accommodate the increased workspace complexity the pandemic has brought.

The operating profit for the year is DKK (13,415,582) against DKK (8,285,167) last year. Profit/loss for the year was DKK (12,109,673) against DKK (7,152,501) last year. Considering the challenging financial year, the Management consider the results satisfactory.

Changes in accounting estimates

As described in the accounting policies, Management has changed its accounting policies concerning development projects.

Development projects are recognised as intangible assets in the balance sheet. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down. Previously, development costs were recognised in the income statement as incurred.

The change in accounting policies is substantiated by the fact that the extent of the Company's development projects is increasing, which is why Management considers it more fair that the value of the development projects is reflected in the balance sheet. The change in accounting policies has affected results for the year by DKK 3,663 thousand. The balance sheet total and equity are positively affected by DKK 3,663 thousand. The comparative figures have been restated.

Uncertainty relating to recognition and measurement

As the Company is a development company, there is a natural uncertainty associated with the measurement of

the Company's development activities and future earnings. At 31 December 2020, the Company has recognised DKK 7,877 thousand regarding completed development projects. The value of the development projects depends on the Company's ability to develop, market and sell workspace management at a profitable level. Management believes that the Company will implement its plans within a foreseeable future. Accordingly, Management considers the valuation reasonable. If the Company's sales and growth deviate significantly from the current plans, uncertainty may be associated with the valuation.

Outlook

The pandemic is still present in both Denmark and England with uncertainty and low visibility of a full economic recovery. The continuing pandemic has impacted the demand for office management solutions in the first quarter of 2021, indisputable with offices being closed or opened with enforced restrictions. However, in Denmark and England markets are now starting to gradually reopen, with employees returning to offices, which has resulted in an increased activity at the start of the second quarter of 2021. The continuous reopening of markets and offices is key for GoodMonday's continuous growth. GoodMonday's management is closely following the reopening and are on a continuous basis assessing the effect of the pandemic on expected revenues and profit, but it is too early to conclude to what extent the company will be affected in the financial year of 2021.

The management believes that on the back of the pandemic, the demand for agile workspace management solutions will increase to accommodate the increased workplace complexity, and GoodMonday is well positioned to capture the increasing demand, with new features being launched in 2021. Therefore, the main objectives for GoodMonday in 2021 are to enhance customer and revenue growth in both Denmark and England.

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.

Treasury shares

	Number	Nominal value DKK	Share of contributed capital %
Treasury shares	150,000	1,500	1,19
Investments acquired:	150,000	1,500	119.00

The shares were acquired in connection with changes in ownership due to new investments.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		630,581	(812,257)
Staff costs	1	(8,582,599)	(6,897,833)
Depreciation, amortisation and impairment losses		(1,804,144)	(527,479)
Operating profit/loss		(9,756,162)	(8,237,569)
Other financial income	2	52,943	6,115
Impairment losses on financial assets	3	(3,474,420)	0
Other financial expenses	4	(237,943)	(53,713)
Profit/loss before tax		(13,415,582)	(8,285,167)
Tax on profit/loss for the year	5	(16,739)	1,132,666
Other taxes		1,322,648	0
Profit/loss for the year		(12,109,673)	(7,152,501)
Proposed distribution of profit and loss			
Retained earnings		(12,109,673)	(7,152,501)
Proposed distribution of profit and loss		(12,109,673)	(7,152,501)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Completed development projects	7	7,876,981	3,663,026
Intangible assets	6	7,876,981	3,663,026
Other fixtures and fittings, tools and equipment		0	14,664
Leasehold improvements		115,145	0
Property, plant and equipment	8	115,145	14,664
Investments in group enterprises		3,722	3,722
Deposits		115,625	60,000
Financial assets	9	119,347	63,722
Fixed assets		8,111,473	3,741,412
Trade receivables		2,335,414	1,824,621
Other receivables		76,890	189,473
Income tax receivable		1,322,648	1,132,666
Prepayments		2,647	1,713
Receivables		3,737,599	3,148,473
Cash		19,535,492	26,432,466
Current assets		23,273,091	29,580,939
Assets		31,384,564	33,322,351

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital	10	126,323	120,631
Share premium		0	26,857,131
Reserve for development expenditure		7,876,981	3,663,026
Retained earnings		12,012,447	(1,017,589)
Equity		20,015,751	29,623,199
Debt to other credit institutions		7,541,566	0
Other payables		592,675	342,291
Non-current liabilities other than provisions	11	8,134,241	342,291
Trade payables		1,820,111	2,450,582
Other payables	12	1,414,461	906,279
Current liabilities other than provisions		3,234,572	3,356,861
Liabilities other than provisions		11,368,813	3,699,152
Equity and liabilities		31,384,564	33,322,351
Unrecognised rental and lease commitments	13		

Statement of changes in equity for 2020

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	120,631	26,857,131	0	(1,017,589)	25,960,173
Changes in accounting policies	0	0	3,663,026	0	3,663,026
Adjusted equity, beginning of year	120,631	26,857,131	3,663,026	(1,017,589)	29,623,199
Increase of capital	5,692	2,496,533	0	0	2,502,225
Transfer to reserves	0	(29,353,664)	4,213,955	25,139,709	0
Profit/loss for the year	0	0	0	(12,109,673)	(12,109,673)
Equity end of year	126,323	0	7,876,981	12,012,447	20,015,751

For the purpose of offering incentive pay by way of share options, the Company has allocated 1,051,740 A shares. For the period until 1 October 2023, the Company's Board of Directors is authorised, once or several times, to increase the Company's share capital with up to nominally 730,137 shares in total without pre-emption right for the Company's shareholders. The authorisation empowers the Board of Directors to determine the terms for the granted share options, including the exercise price.

In 2019, GoodMonday ApS acquired 150,000 treasury shares of DKK 0.01 nominal at a value of DKK 1,500, equal to 1.19% of the share capital. The shares were acquired in connection with changes in ownership due to new investments.

Notes

1 Staff costs

	2020	2019
	DKK	DKK
Wages and salaries	11,108,500	7,973,249
Pension costs	133,985	91,466
Other social security costs	198,214	125,210
Other staff costs	472,753	681,117
	11,913,452	8,871,042
Staff costs classified as assets	(3,330,853)	(1,973,209)
	8,582,599	6,897,833
Average number of full-time employees	27	18

2 Other financial income

	2020	2019
	DKK	DKK
Financial income from group enterprises	36,736	0
Other interest income	8,141	6,036
Exchange rate adjustments	8,066	79
	52,943	6,115

3 Impairment losses on financial assets

Impairment losses on financial assets comprises of write-downs on intercompany balances with the subsidiary GoodMonday Ltd.

4 Other financial expenses

	2020	2019
	DKK	DKK
Other interest expenses	219,793	49,800
Exchange rate adjustments	5,996	3,783
Other financial expenses	12,154	130
	237,943	53,713

5 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	0	(1,132,666)
Adjustment concerning previous years	16,739	0
	16,739	(1,132,666)

6 Intangible assets

	Completed development projects DKK
Cost beginning of year	4,186,315
Additions	6,012,038
Cost end of year	10,198,353
Amortisation and impairment losses beginning of year	(523,289)
Amortisation for the year	(1,798,083)
Amortisation and impairment losses end of year	(2,321,372)
Carrying amount end of year	7,876,981

7 Development projects

The development projects comprise development of a digital platform, which the Company uses in its operations. The platform is used by the Company's customers and employees. The platform is continuously further developed, and the projects are continuously completed and put to use, after which amortisation is commenced.

With reference to section 83(2) of the Danish Financial Statement Act, the capitalised costs for development projects are recognised in the reserve for development costs under equity.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	20,949	0
Additions	0	121,205
Disposals	(20,949)	0
Cost end of year	0	121,205
Depreciation and impairment losses beginning of year	(6,285)	0
Depreciation for the year	0	(6,060)
Reversal regarding disposals	6,285	0
Depreciation and impairment losses end of year	0	(6,060)
Carrying amount end of year	0	115,145

9 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	3,722	60,000
Additions	0	115,625
Disposals	0	(60,000)
Cost end of year	3,722	115,625
Carrying amount end of year	3,722	115,625

Investments in subsidiaries	Registered in	Equity interest %
GoodMonday Ltd.	United Kingdom	100

10 Share capital

	Number	Par value DKK	Nominal value DKK
A shares	6,615,240	0.01	66,152
B shares	1,934,520	0.01	19,345
C shares	4,082,668	0.01	40,826
	12,632,428		126,323

11 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK	Outstanding after 5 years 2020 DKK
Debt to other credit institutions	7,541,566	2,090,362
Other payables	592,675	592,675
	8,134,241	2,683,037

12 Other payables

	2020 DKK	2019 DKK
Wages and salaries, personal income taxes, social security costs, etc payable	943,082	423,275
Holiday pay obligation	243,050	451,119
Other costs payable	228,329	31,885
	1,414,461	906,279

13 Unrecognised rental and lease commitments

	2020	2019
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	278,769	180,000

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.

Changes in accounting policies

The Entity has changed its accounting policies concerning development projects.

Development projects are recognised as intangible assets in the balance sheet. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down. Previously, development costs were recognised in the income statement as incurred.

The change in accounting policies is substantiated by the fact that the extent of the Company's development projects is increasing, which is why Management considers it more fair that the value of the development projects is reflected in the balance sheet. The change in accounting policies has affected results for the year by DKK 3,663 thousand. The balance sheet total and equity are positively affected by DKK 3,663 thousand. The comparative figures have been restated.

Except from this, the accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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, cost of sales and other 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.

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. 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 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.

Impairment losses on financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses

Other financial expenses comprise interest expenses, 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.

Other taxes

The item includes tax amounts calculated on another basis than income for the year, which are not refunded to the Entity.

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 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 4 years.

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.

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:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments 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.

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 cash in hand and bank deposits.

Treasury shares

Acquisition and selling prices and dividends for treasury shares are classified directly as equity under retained earnings. Gains and losses on sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to the nominal value.

Other financial liabilities

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