

INITTO A/S

Philip Heymans Allé 15, 2900 Hellerup
CVR no. 26 22 41 28

Annual Report

2021

Approved on the general meeting 17 May 2022

Chairman:

Thomas Julian Gravers

INITTO A/S

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Statement by Management

The Board of Directors and the Board of Management have today considered and approved the annual report of Initto A/S for the financial year 1 January - 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report is approved at the Annual General Meeting.

Hellerup, 17 May 2022

Board of Management:

Deepak Gupta

Board of Directors:

Thomas Julian Gravers
Chairman

Andreas Janholt

Deepak Gupta

Independent auditor's report

To the shareholders of Initto A/S

Opinion

We have audited the financial statements of Initto A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, statement of financial position 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 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:

Independent auditor's report (Continued)

- 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 other-wise 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, 17 May 2022
Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Anders Oldau Gjelstrup State-Authorised
Public Accountant ,MNE no 10777

Jens Ringbæk State-Authorised
Public Accountant MNE no 27735

Management's review

Principal activities of the Company

The primary purpose of Initto A/S is to provide assistance with IT-solutions, development and maintenance of existing software and with related services.

Development in activities and financial matters and expectations for the future

Result for the year, which is proposed distributed to retained earnings, shows a net loss of DKK 2,117 thousand compared to DKK 207 thousand in 2020. The result for 2021 is impacted negatively with an impairment related to the investment subsidiary DKK 23 thousand and a write down of deferred tax asset with DKK 342 thousand. The result for the year is considered satisfying.

Equity amounts DKK 23,914 thousand as at 31 December 2021 compared to DKK 26,031 as at 31 December 2020.

A result of approximately DKK 0 thousand is expected for 2022.

Events after the reporting date

No events occurred after the reporting date have had significant influence on the Company's financial position at 31 December 2021.

Income statement

Note (tDKK)		2021	2020
	Gross profit	25	2,872
2	Staff costs	-83	-2,583
	Operating profit	-58	289
	Impairment of financial assets	-1,710	0
	Other financial expenses	-25	-24
	Profit before tax	-1,793	265
	Tax on profit for the year	-324	-58
	Profit for the year	-2,117	207
	Proposed distribution of profit		
	Retained earnings	-2,117	207

Statement of financial position

Note	(tDKK)	31. December 2021	31. December 2020
	ASSETS		
	Financial assets		
	Investments in subsidiaries	21,383	23,093
	Deposits	0	40
	Total financial assets	21,383	23,133
	Current assets		
	Receivables		
	Receivables from group enterprises	0	226
	Deferred tax asset	18	342
	Total receivables	18	568
	Cash at hand and in bank	2,547	2,902
	Total current assets	2,565	3,470
	Total assets	23,948	26,603
	LIABILITIES		
	Equity		
	Share capital	1,611	1,611
	Retained earnings	22,303	24,420
	Total equity	23,914	26,031
	Current liabilities other than provisions		
	Trade payables	1	16
	Payables to group enterprises	0	2
	Other payables	33	554
	Total liabilities	34	572
	Total equity and liabilities	23,948	26,603
1	Accounting policies		
3	Contractual obligations and contingencies, etc.		
4	Consolidated financial statements		

Equity

(tDKK)	Share capital	Retained earnings	Total
Equity at 1 January 2021	1,611	24,420	26,031
Transferred; see distribution of profit		-2,117	-2,117
Equity at 31 December 2021	1,611	22,303	23,914

Notes

Note

1 Accounting policies

The annual report of Initto A/S for 2021 has been prepared in accordance with the Danish Financial Statements Act, reporting class B with addition of certain provisions for reporting class C.

In accordance with the Danish Financial Statements Act § 112(2) no consolidated financial statements has been prepared.

The accounting policies applied in the preparation of the financial statements are consistent with those applied last year.

The annual report is presented in Danish kroner.

General about recognition and measurement

Income is recognised in the income statement as and when it is earned.

Any costs, including depreciations, amortisation, impairment, provisions and reversals due to changed accounting estimates of amounts previously recognised in the income statement, are also recognised in the income statement.

Assets are recognised in the statement of financial position when it is likely that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the statement of financial position when it is likely that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates 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.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from assistance with IT development is recognised as production is performed (the production method) and is calculated as the sales price of the production performed during the financial year.

Revenue is recognised when the total income and costs of the individual case and the stage of completion at the balance sheet date can be measured reliable and it is probable that the economic benefits, including payments, will flow to the company.

Revenue is recognised net of VAT, duties and sales discounts.

Other external costs

Other external costs comprise administrative expenses.

Gross profit

Revenue and other external costs are presented as Gross profit in the income statement in accordance with the Danish Financial Statements Act § 32.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, other social security costs, accommodation etc., for the Company's employees.

Notes

Note

1 Accounting policies - continued

Other financial income and expenses

Other financial income and expenses comprise interest income expense, realised and unrealised gains and losses related to financial assets and liabilities and foreign exchange rate adjustments, amortisation of financial assets and liabilities.

Dividends from investments in subsidiaries are recognised in the income statement in the financial year which the dividend is declared. Dividend distributions that either exceed profit for the year or where the carrying amount of the investments exceeds the carrying amount of the net assets of the subsidiary will be an indicator of impairment and an impairment test is required.

Impairment of subsidiaries is recognised in the income statement as impairment of financial assets.

Tax on profit for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement.

Statement of financial position

Investments in subsidiaries

Investments in subsidiaries are measured at cost. If there is an indication of impairment, an impairment test is performed. Investments are written down to the lower of the recoverable amount and the carrying amount.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the statement of financial position as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid to the administration company.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable values.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to be utilised. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities comprising trade payables and payables to group enterprises are recognised at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Notes

Note (tDKK)	2021	2020
2 Staff costs		
Wages and salaries	-65	-2,075
Other social security costs	0	-12
Other personnel costs	-18	-496
Total staff costs	-83	-2,583
Average number of full-time employees	0.1	3

3 Contractual obligations and contingencies, etc.

The Company participates in a Danish joint taxation arrangement where Geely Financials Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company 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 Company has no other contractual or contingent liabilities.

4 Consolidated financial statements

The company is included in the consolidated financial statements of Saxo Bank A/S, Philip Heymans Allé 15, 2900 Hellerup. The consolidated financial statements for Saxo Bank A/S are available on: www.home.saxo/about-us/investor-relations.