

# **Magnit Global Denmark ApS**

Fuglevangsvej 11  
DK-1962 Frederiksberg C  
CVR no. 29 77 08 59

## **Annual report for 2022**

(16th Financial year)

Adopted at the annual general  
meeting on 7 August 2023

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Teresa Rose Golio  
chairman

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## **Statement by management on the annual report**

The Board of Directors and Executive board have today discussed and approved the annual report of Magnit Global Denmark ApS for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Frederiksberg, 7 August 2023

### **Executive board**

Teresa Rose Golio  
CEO

### **Board of Directors**

Teresa Rose Golio  
chair

Catherine Coles

Jesper Måns Molin

## **Independent Auditor's Report**

To the Shareholders of Magnit Global Denmark ApS

### **Opinion**

In our opinion, The Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited The Financial Statements of Magnit Global Denmark ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("The Financial Statements").

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company 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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on The Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with The Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

### **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.

## **Independent Auditor's Report**

In preparing The Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing The Financial Statements unless Management either intends to liquidate the Company 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 judgment and maintain professional skepticism 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of The Financial Statements, including the disclosures, and whether The Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

## Independent Auditor's Report

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.

Hellerup, 7 August 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen  
State Authorized Public Accountant  
mne28703

James Liang  
State Authorized Public Accountant  
mne34549

## Company details

### The Company

Magnit Global Denmark ApS  
Fuglevangsvej 11  
DK-1962 Frederiksberg C

CVR no.: 29 77 08 59

Reporting period: 1 January - 31 December 2022

Incorporated: 2 August 2006

Financial year: 16th financial year

Domicile: Frederiksberg

### Board of Directors

Teresa Rose Golio, chair  
Catherine Coles  
Jesper Måns Molin

### Executive board

Teresa Rose Golio, CEO

### Auditors

PricewaterhouseCoopers  
Statsautoriseret revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	<u>2022</u> TDKK	<u>2021</u> TDKK	<u>2020</u> TDKK	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>Key figures</b>					
Revenue	640.118	509.200	408.097	508.073	381.021
Gross profit	14.904	15.976	16.638	27.634	24.797
Profit/loss before net financials	8.718	11.082	8.124	20.828	17.939
Net financials	9.221	-3.831	-13.747	-354	-2.241
Profit/loss for the year	11.664	4.167	-4.040	16.623	13.277
Balance sheet total	292.145	361.398	415.990	339.211	354.120
Investment in property, plant and equipment	0	72	0	0	0
Equity	70.778	59.114	54.947	59.267	42.644
Number of employees	8	7	6	4	4
<b>Financial ratios</b>					
Gross margin	2,3%	3,1%	4,1%	5,4%	6,5%
EBIT margin	1,4%	2,2%	2,0%	4,1%	4,7%
Solvency ratio	24,2%	16,4%	13,2%	17,5%	12,0%
Return on equity	18,0%	7,3%	-7,1%	32,6%	36,8%
Current ratio	131,9%	119,5%	115,0%	121,0%	114,0%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Where the accounting policies have been changed, the comparatives for 2018 onwards have been restated. For an account of changes in accounting policies, see the summary of significant accounting policies.



## Management's review

### Business review

The Company's principal activities are administration of staffing services.

### Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

### Unusual matters

The company's financial position at 31 December 2022 and the results of its operations and cash flows for the financial year ended 31 December 2022 are not affected by any unusual matters.

### Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of TDKK 11.664, and the balance sheet at 31 December 2022 shows equity of TDKK 70.778.

In 2022 the Company has realized revenues of DKK 640 million compared to DKK 509 million in 2021. The increase in revenue is primarily related to an increased demand for contingent workforces due to COVID-19 pandemic.

Gross profit has reduced from DKK 16 million to DKK 14.9 million. Given the global advance towards a more agile and on-demand talent workforce due to the pandemic, management sees sales growth rebounding through 2023 and beyond.

### Significant events occurring after the end of the financial year

We refer to note 12 regarding events occurring after the end of the financial year.

### Expected development of the company, including specific prerequisites and uncertainties

Moderate growth is expected in 2023 as the Nordic region continues to recover from the COVID-19 pandemic. Management expects to continue to increase revenue through 2023 and beyond.

### Statutory corporate social responsibility report

#### *Description of the company's business model*

CSR is generally very important and a priority area of Magnit Global Denmark Aps. It is management's clear belief that it adds value to the business if a company combines its business model with consideration for CSR.

The Company utilizes proprietary web based technology to deliver and manage temporary labor services to large professional and information technology based businesses. Temporary labor service is a service where the Company's resources work at customer locations under the supervision of customer personnel.

The Company's business strategy, including its day-to-day activities in the efficient deliverance and effective management of temporary labor services always focuses on its general CSR policy.

Through the group Environmental, Social, and Governance (ESG) strategy the company commit to valuing individual dignity and wellbeing, while impacting the communities and championing a sustainable world.

### Environment & Climate

At Magnit, we recognize that climate change presents an imminent threat not just to our business operations, our clients, and our employees but to the world. We see our responsibility to the environment as a driving force in all aspects of our business. This is why, this year, we have implemented a new climate change policy designed to ensure that environmental factors are considered in every step of our decision-making process.

## **Management's review**

In addition to Magnit's climate change policy, Magnit has a number of related initiatives and policies dedicated to reducing its carbon footprint, operating at carbon neutral and also joining the 2030 Net Zero pledge.

Magnit runs on 100% renewable energy through onsite renewables or purchase of energy attribute credits. We are currently contributing to two large environmental projects. The Ramco Wind Energy Project which is helping to fund 136 wind turbine generators in India whilst we are also supporting the Pacajal Brazil Project which works on the protection of nearly 300,000 acres of rainforest.

Other initiatives around reduction of our carbon footprint involved office closures and corporate travel reductions.

Global analysis determined travel expenses in 2022 had reduced 15 times compared with pre covid levels and a 50% reduction in scope 1 emissions compared with 2021. No specific analysis was carried out on the Denmark entity.

Moving forward Magnit will continue with its initiatives whilst exploring other options in this area.

## **Social & Employee Conditions**

At Magnit, our people along with their passion and commitment and resilience, are our main asset. We believe our employees' engagement and wellness is critical to Magnit's performance, so we strive to foster a diverse and inclusive environment which enables all employees to thrive. It would be a material risk to the business operations if this environment was not maintained.

We have a number of group initiatives striving to make the business as inclusive as possible. We run a number of projects relating to PRIDE, diverse Ability, Mosaic and many more. In addition to our work with diversity, in 2022 we also offered employees a number wellbeing support options as well as other training and development.

We offer comprehensive wellbeing support through a number of employee benefits. Magnit reviews its data and uses its diversity intelligence to give essential insights into investment decisions. It will continue to do this going forward and invest where appropriate. Magnit will also continue to invest in its current initiatives.

## **Human Rights**

Magnit understands there is a risk to reputation as well as associated risks of non compliance in this area. The business operates in strict conjunction with the modern slavery regulations, supported by other internal policies such as our supplier code of conduct. This ensures a robust environment towards human rights.

Magnit ensures a complaint environment for all its employees through its practices but also takes responsibility for the same throughout its supply chain. All suppliers must agree to the supplier code of conduct in order to support Magnit's operations. In 2022, all new suppliers were introduced to the supplier

## Management's review

code of conduct, as part of the onboarding process. The Code includes a comprehensive review of the practices which must be upheld and Magnit have a zero-tolerance policy on any breaches in relation to human rights. Any suppliers who breach the Human Rights policies will be immediately removed from operations.

Going forward, Magnit will continue with its practices in this area.

### Corruption

At Magnit we have an unwavering commitment to act with integrity, as we strongly believe that upholding values such as honesty, fairness, and accountability are key to running a successful and responsible organization. Magnit also understand there is a risk to reputation as well as the associated risks of non compliance in relation to corruption. The company have multiple internal policies in relation to privacy, security, anti bribery and corruption, as well as maintaining business operations in accordance with local laws and regulations. Magnit's business ethics efforts are overseen by the board and general counsel. Any misconduct that violates our business ethics and integrity is investigated. The business also runs mandated training in these areas so all staff are informed and the business evaluates and monitors that this training is completed. As a result, all new employees have participated in the mandatory training on anti-corruption. Magnit operate a Zero-tolerance approach to corruption and will continue to do so going forward.

The ESG and CSR policies, impact reports and initiatives in full, can be found on the group website: <https://magnitglobal.com/us/en/company/environmental-social-governance.html>.

### ***Description of the most critical risks associated with the company's business activities***

Other than currency risks as a consequence of being funded by the parent company in USD, the Company holds no unusual risk.

The majority of the Company's payables are contingent upon receipt of cash from customers; as a result, credit risk is relatively low. The Company is partially funded by debt and is therefore exposed to the normal risks of interest rate fluctuation arising from variable rate instruments.

### **Policies on the underrepresented gender**

#### ***Description of policies for the underrepresented gender***

##### *Policies for the underrepresented gender*

Magnit Global Denmark Aps does not discriminate in employment opportunities or practices on the basis of race, color, disability, religion, gender, national origin, age, marital status, creed, veterans status or any other characteristic protected by applicable law.

There are 3 members in Magnit Global Denmark Aps Board of Directors. Two out of three is female, which exceeds our target of 50% of the underrepresented gender on the board. The current gender representation at the Board is consider sufficient and there is no need of additional targets.

## **Management's review**

In 2022, Magnit Global Denmark Aps had 2 female in the management level out of 3. As the business expands the company will continue to work to strengthen its strategy to increase the gender representation on the management level by presenting equal opportunities to both genders and trainings to develop their skills.

### **Statement of policy for data ethics**

*Description of the entity's work with and policy for data ethical questions*

The Company follows the law and regulations in respect to treat all acquired data in a respectful manner. The Company has a written down IT security policy, which also secure all external acquired data is handled safely. However, the Company has not a written policy on data ethics, acquired data are only used internally in the Company.

## Income statement 1 January - 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Revenue</b>	2	<b>640.118</b>	<b>509.200</b>
Cost of services sold		-615.872	-491.198
Other external expenses		<u>-9.342</u>	<u>-2.026</u>
<b>Gross profit</b>		<b>14.904</b>	<b>15.976</b>
Staff costs	3	-6.183	-4.891
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	4	<u>-3</u>	<u>-3</u>
<b>Profit/loss before net financials</b>		<b>8.718</b>	<b>11.082</b>
Financial income	5	13.072	0
Financial costs	6	<u>-3.851</u>	<u>-3.831</u>
<b>Profit/loss before tax</b>		<b>17.939</b>	<b>7.252</b>
Tax on profit/loss for the year	7	<u>-6.275</u>	<u>-3.084</u>
<b>Profit/loss for the year</b>		<u><b>11.664</b></u>	<u><b>4.167</b></u>
Distribution of profit	8		

## Balance sheet 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Assets</b>			
Other fixtures and fittings, tools and equipment		<u>76</u>	<u>79</u>
<b>Tangible assets</b>	9	<u><b>76</b></u>	<u><b>79</b></u>
Deposits	10	<u>137</u>	<u>81</u>
<b>Fixed asset investments</b>		<u><b>137</b></u>	<u><b>81</b></u>
<b>Total non-current assets</b>		<u><b>213</b></u>	<u><b>160</b></u>
Trade receivables		226.378	186.077
Receivables from subsidiaries		59.856	148.338
Other receivables		80	0
Deferred tax asset	12	0	1.237
Corporation tax		0	50
Prepayments	11	<u>43</u>	<u>9</u>
<b>Receivables</b>		<u><b>286.357</b></u>	<u><b>335.708</b></u>
<b>Cash at bank and in hand</b>		<u><b>5.575</b></u>	<u><b>25.529</b></u>
<b>Total current assets</b>		<u><b>291.932</b></u>	<u><b>361.238</b></u>
<b>Total assets</b>		<u><u><b>292.145</b></u></u>	<u><u><b>361.398</b></u></u>

## Balance sheet 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Equity and liabilities</b>			
Share capital		125	125
Retained earnings		<u>70.653</u>	<u>58.989</u>
<b>Equity</b>	12	<b><u>70.778</u></b>	<b><u>59.114</u></b>
Provision for deferred tax	13	<u>8</u>	<u>0</u>
<b>Total provisions</b>		<b><u>8</u></b>	<b><u>0</u></b>
Trade payables		201.972	170.986
Payables to subsidiaries		0	116.364
Corporation tax		13.157	12.235
Other payables		<u>6.230</u>	<u>2.698</u>
<b>Total current liabilities</b>		<b><u>221.359</u></b>	<b><u>302.283</u></b>
<b>Total liabilities</b>		<b><u>221.359</u></b>	<b><u>302.283</u></b>
<b>Total equity and liabilities</b>		<b><u>292.145</u></b>	<b><u>361.398</u></b>
Events after the balance sheet date	14		
Contingent liabilities	15		
Related parties and ownership structure	16		
Fee to auditors appointed at the general meeting	17		

## Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	125	58.989	59.114
Net profit/loss for the year	<u>0</u>	<u>11.664</u>	<u>11.664</u>
<b>Equity at 31 December 2022</b>	<b><u>125</u></b>	<b><u>70.653</u></b>	<b><u>70.778</u></b>



## Cash flow statement 1 January - 31 December

	Note	2022 TDKK	2021 TDKK
Net profit/loss for the year		11.664	4.167
Adjustments	18	-2.943	7.027
Change in working capital	19	<u>-2.856</u>	<u>-6.906</u>
<b>Cash flows from operating activities before financial income and expenses</b>		<b>5.865</b>	<b>4.288</b>
Interest income and similar income		6.157	0
Interest expenses and similar charges		<u>-3.849</u>	<u>-3.831</u>
<b>Cash flows from operating activities</b>		<b><u>8.173</u></b>	<b><u>457</u></b>
Fixed asset investments made etc		<u>-56</u>	<u>-72</u>
<b>Cash flows from investing activities</b>		<b><u>-56</u></b>	<b><u>-72</u></b>
Repayment of loans from credit institutions		0	-126.381
Repayment of payables to subsidiaries		<u>-28.071</u>	<u>149.127</u>
<b>Cash flows from financing activities</b>		<b><u>-28.071</u></b>	<b><u>22.746</u></b>
<b>Change in cash and cash equivalents</b>		<b>-19.954</b>	<b>23.131</b>
Cash and cash equivalents		<u>25.529</u>	<u>2.398</u>
<b>Cash and cash equivalents</b>		<b><u>5.575</u></b>	<b><u>25.529</u></b>
Analysis of cash and cash equivalents:			
Cash at bank and in hand		<u>5.575</u>	<u>25.529</u>
<b>Cash and cash equivalents</b>		<b><u>5.575</u></b>	<b><u>25.529</u></b>

## Notes

### 1 Accounting policies

The annual report of Magnit Global Denmark ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2022 is presented in TDKK

#### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## Notes

### 1 Accounting policies

#### **Income statement**

##### **Revenue**

Income from the sale of services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

##### **Cost of services sold**

Consultancy services comprise expenses for external consultants held in direct connection with the company's revenue.

##### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### **Staff costs**

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

##### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

##### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, gains and losses on transactions denominated in foreign currencies and refunds under the on-account tax scheme, etc.

##### **Tax on profit/loss for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

**Notes**

**1 Accounting policies**

**Balance sheet**

**Tangible assets**

Items of computer, equipments, furniture and fittings are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>	<b>Residual value</b>
Tools and equipment	5 years	0 %

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

**Impairment of fixed assets**

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

**Receivables**

Receivables are measured at amortised cost which usually equals nominal value. Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made based on an individual assessment.

**Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

**Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

## Notes

### 1 Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

#### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

#### Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

#### Cash flow statement

The cash flow statement shows the company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

#### Cash flows from operating activities

Cash flows from operating activities are stated as the company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

#### Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

**Notes**

**1 Accounting policies**

**Cash flows from financing activities**

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

**Financial Highlights**

Definitions of financial ratios.

Gross margin ratio	$\frac{\text{Gross Profit} \times 100}{\text{Revenue}}$
EBIT margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Current ratio	$\frac{\text{Current assets total} \times 100}{\text{Short-term liabilities}}$

## Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>2 Revenue</b>		
Executed work	<u>640.118</u>	<u>509.200</u>
<b>Total revenue</b>	<b><u>640.118</u></b>	<b><u>509.200</u></b>
Revenue by Geographical Market		
Domestic	628.091	506.971
Foreign	<u>12.027</u>	<u>2.229</u>
<b>Total revenue</b>	<b><u>640.118</u></b>	<b><u>509.200</u></b>
<b>3 Staff costs</b>		
Wages and salaries	5.025	3.716
Pensions	458	381
Other social security costs	282	269
Other staff costs	<u>418</u>	<u>524</u>
	<b><u>6.183</u></b>	<b><u>4.891</u></b>
Average number of employees	<u>8</u>	<u>7</u>
<b>Remuneration:</b>		
Board of Directors	0	0
Executive Board	0	0
<b>4 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Depreciation tangible assets	<u>3</u>	<u>3</u>
	<b><u>3</u></b>	<b><u>3</u></b>
<b>5 Financial income</b>		
Exchange gains	<u>13.072</u>	<u>0</u>
	<b><u>13.072</u></b>	<b><u>0</u></b>

## Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>6 Financial costs</b>		
Other financial costs	3.851	1.131
Exchange loss	<u>0</u>	<u>2.700</u>
	<b><u>3.851</u></b>	<b><u>3.831</u></b>
<b>7 Tax on profit/loss for the year</b>		
Current tax for the year	4.763	1.595
Deferred tax for the year	2	0
Adjustment of tax concerning previous years	267	1.489
Adjustment of deferred tax concerning previous years	<u>1.243</u>	<u>0</u>
	<b><u>6.275</u></b>	<b><u>3.084</u></b>
<b>8 Distribution of profit</b>		
Retained earnings	<u>11.664</u>	<u>4.167</u>
	<b><u>11.664</u></b>	<b><u>4.167</u></b>
<b>9 Tangible assets</b>		
		<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2022		189
Disposals for the year		<u>-8</u>
Cost at 31 December 2022		<u>181</u>
Impairment losses and depreciation at 1 January 2022		107
Impairment losses for the year		3
Disposals for the year		<u>-5</u>
Impairment losses and depreciation at 31 December 2022		<u>105</u>
<b>Carrying amount at 31 December 2022</b>		<b><u>76</u></b>



## Notes

### 10 Fixed asset investments

	<u>Deposits</u>
Cost at 1 January 2022	81
Additions for the year	<u>56</u>
Cost at 31 December 2022	<u>137</u>
<b>Carrying amount at 31 December 2022</b>	<b><u><u>137</u></u></b>

### 11 Prepayments

Prepayments comprise of prepaid expenses regarding subscriptions and phone services

### 12 Equity

The share capital consists of 125 shares of a nominal value of TDKK 1. No shares carry any special rights.

### 13 Provision for deferred tax

Provision for deferred tax at 1 January 2022	-1.237	-1.263
Deferred tax recognised in income statement	<u>1.245</u>	<u>26</u>
<b>Provision for deferred tax at 31 December 2022</b>	<b><u><u>8</u></u></b>	<b><u><u>-1.237</u></u></b>

#### Provisions for deferred tax on:

Property, plant and equipment	8	6
Tax loss carry-forward	0	-1.243
Transferred to deferred tax asset	<u>0</u>	<u>1.237</u>
	<b><u><u>8</u></u></b>	<b><u><u>0</u></u></b>

#### Deferred tax asset

Calculated tax asset	<u>0</u>	<u>1.237</u>
<b>Carrying amount</b>	<b><u><u>0</u></u></b>	<b><u><u>1.237</u></u></b>

### 14 Events after the balance sheet date

ZeroChaos Holdings, LLC and Magnit ZCP, LLC were dissolved 20 February 2023. The new Holding company for Magnit Global Netherlands Holding WFQ BV from that date is Magnit APC I, LLC, a company incorporated in Florida (reg #L04000067735).

## Notes

### 15 Contingent liabilities

The company has no contingent liabilities.

### 16 Related parties and ownership structure

#### Controlling interest

Magnit Global Denmark ApS is a wholly owned subsidiary of Magnit Global Netherlands Holding BV (Org no. 34380940) which is registered in Schiphol-Rijk, Netherlands. The parent company of Magnit Global Netherlands Holding BV is ZeroChaos Holdings, LLC (Org no. 101028866), a company registered in the USA which in turn is a subsidiary of Magnit ZCP, LLC

The foreign parent company's consolidated financial statements are available from Magnit Global Netherlands Holding WFQ BV ; Marconibaan 1, 3439 MR Nieuwegein, The Netherlands.

#### Transactions

The Company's intercompany transactions has during the year been entered into at arm's length.

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>17 Fee to auditors appointed at the general meeting</b>		
PricewaterhouseCoopers:		
Audit fee	175	150
Non-audit services	<u>30</u>	<u>28</u>
	<b><u>205</u></b>	<b><u>178</u></b>
<b>18 Cash flow statement - adjustments</b>		
Financial income	-13.072	0
Financial costs	3.851	3.831
Depreciation, amortisation and impairment losses	3	3
Tax on profit/loss for the year	6.275	3.084
Other adjustments	<u>0</u>	<u>109</u>
	<b><u>-2.943</u></b>	<b><u>7.027</u></b>

## Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>19 Cash flow statement - change in working capital</b>		
Change in receivables	-39.166	-39.887
Change in trade payables, etc.	<u>36.310</u>	<u>32.981</u>
	<u><b>-2.856</b></u>	<u><b>-6.906</b></u>