HEMONTO

Annual Report 2023

We push
for **fair play** and
transparency in
the World of
Finance

HEMONTO A/S

Skt. Clemens Torv 8B 2.
8000 Aarhus C
CVR no: 29 83 93 95

ANNUAL REPORT FOR 2023

1 January - 31 December 2023

This annual report has been adopted at the annual general meeting on February 28, 2024.

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Morten Sandlykke
Chairman of the meeting

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LETTER FROM THE
EXECUTIVE MANAGEMENT

PRINCIPAL ACTIVITIES

Hemonto is a Danish FinTech company providing consolidated reporting, wealth monitoring and financial consultancy. Our vision is to push for fair play and transparency in the World of Finance.

THE YEAR IN BRIEF

2023 was another successful year for Hemonto with significant growth in the number of clients and in the amount of assets under monitoring.

As a leading independent partner, we thank our clients for trusting us with the task of creating overview and insights across all their assets.

In 2022, we decided to establish Aleta as an independent company – a decision that proved successful throughout 2023.

Hemonto now focuses entirely on further development of our reporting and consultancy business, whereas Aleta focuses on the continuous development of the wealth reporting platform.

The decision has allowed the companies to use their respective resources optimally across functions and increase the quality in both areas. All together, we continue to work closely together with Aleta sharing the vision of enabling transparency and unlocking valuable insights for better and more sustainable investment decisions.

In 2023, we launched our new and innovative wealth app that gives our clients a complete overview of their investments across assets and asset managers gaining valuable insights. In addition, the new wealth app enables our increasingly conscious clients to get insights into the impact of their investments by providing them with details on different ESG parameters for their investment portfolio including CO2 emission and Net Zero Commitment. All in line with our increasing focus on putting impact on the financial agenda.

Torben Engedal
Executive Management

> ***2023 was another successful year for Hemonto with significant growth in the number of clients and in the amount of assets under monitoring.***

A special thank you goes to all the people of Hemonto for their devoted effort in 2023 to work for our vision of creating fair play and transparency in the World of Finance. They are the ones to thank for the results realized in 2023. We value diversity and believe being authentic brings out the best version of yourself and that this adds the highest value to our team.

Hemonto's results are considered satisfactory.

SUBSEQUENT EVENTS

No important events have occurred after the end of the financial year.

Torben Engedal
Executive Management

We monitor	We process
55+	**400+**
billion USD	thousand transactions

STATEMENT AND
REPORT

STATEMENT BY THE EXECUTIVE BOARD AND BOARD OF DIRECTORS ON THE ANNUAL REPORT

We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for Hemonto A/S.

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 company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Aarhus C, February 28, 2024

Executive Board

Torben Engedal

Board of Directors

Morten Sandlykke
Chairman

Martin Høyer-Hansen

Ken Gamskjær

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of Hemonto A/S

Opinion

We have audited the financial statements of Hemonto A/S for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The finan- cial 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 company’s financial position at 31.12.23 and of the results of the company’s operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

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 the management’s review

Management is responsible for the management ’s review.

Our opinion on the financial statements does not cover the management’s review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, it is our responsibility is to read management’s review and, in doing so, consider whether management’s review is mate- rially 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, we conclude that the 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 of the management’s review.

INDEPENDENT AUDITOR'S REPORT CONTINUED...

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 state- ments that are free from material misstatement, whether due to fraud or error.

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 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 expres- sing 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.

- Connclude 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 con- clude 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.

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.

Soeborg, Copenhagen, February 28, 2024

Beierholm
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Morten Stener

State Authorized Public Accountant
MNE no. mne32182

FINANCIAL
STATEMENTS

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS PROFIT		**19,365,018**	**17,687,878**
Staff costs	1	-14,397,669	-17,161,636
PROFIT BEFORE DEPRECIATION, AMORTISATION, WRITEDOWNS AND IMPAIRMENT LOSSES		4,967,349	526,242
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment		-147,267	0
Other operating expenses		-2,008,134	0
OPERATING PROFIT		**2,811,948**	**526,242**
Financial income	2	261,292	160,298
Financial expenses	3	-200,051	-32,036
PROFIT BEFORE TAX		**2,873,189**	**654,504**
Tax on profit for the year		-645,174	-218,250
PROFIT FOR THE YEAR		**2,228,015**	**436,254**

Proposed appropriation account		
Proposed dividend for the financial year	5,000,000	0
Retined earnings	-2,771,985	436,254
TOTAL	**2,228,015**	**436,254**

BALANCE SHEET

ASSETS	Note	31.12.23 DKK	31.12.22 DKK
Leasehold improvements		294,534	441,801
Total property, plant and equipment		**294,534**	**441,801**
Deposits		527,660	502,510
Total investments		**527,660**	**502,510**
Total non-current assets		**822,194**	**944,311**
Contract work in progress	4	552,285	0
Trade receivables		1,081,850	3,332,205
Receivables from group enterprises		6,298,404	10,341,903
Deferred tax asset		536,744	488,478
Income tax receivable		0	693,440
Prepayments		403,120	0
Total receivables		**8,872,403**	**14,856,026**
Cash		**6,064,856**	**1,802,121**
Total current assets		**14,937,259**	**16,658,147**
Total assets		**15,759,453**	**17,602,458**

BALANCE SHEET

EQUITY AND LIABILITIES	Note	31.12.23	31.12.22
		DKK	DKK
Share capital		2,500,000	2,500,000
Retained earnings		4,170,367	436,254
Proposed dividend for the financial year		5,000,000	0
Total equity		**11,670,367**	**2,936,254**
Other payables	5	714,082	689,935
Total long-term payables		**714,082**	**689,935**
Payables to other credit institutions		0	687
Trade payables		1,280,034	2,067,030
Payables to group enterprises		0	8,856,015
Other payables		2,094,970	2,721,764
Deferred income		0	330,773
Total short-term payables		**3,375,004**	**13,976,269**
Total payables		**4,089,086**	**14,666,204**
Total equity and liabilities		**15,759,453**	**17,602,458**
Contingent liabilities	6		
Related parties	7		

STATEMENT OF CHANGES IN EQUITY

Figures in DKK	Share capital	Reserve for development costs	Retained earnings	Proposed dividend for the financial year
Statement of changes in equity for 01.01.22 - 31.12.22				
Balance as at 01.01.22................................	2,500,000	14,414,852	-4,444,775	0
Net effect of demergers and divestment of enterprises	0	-14,414,852	4,444,775	0
Adjusted balance as at 01.01.22	2,500,000	0	0	0
Net profit/loss for the year....................	0	0	436,254	0
Balance as at 31.12.22................................	2,500,000	0	436,254	0
Statement of changes in equity for 01.01.23 - 31.12.23				
Balance as at 01.01.23................................	2,500,000	0	436,254	0
Group contribution......................................	0	0	6,506,098	0
Net profit/loss for the year.....................	0	0	-2,771,985	5,000,000
Balance as at 31.12.23................................	2,500,000	0	4,170,367	5,000,000

NOTES

	2023 DKK	2022 DKK

1. STAFF COSTS

	2023 DKK	2022 DKK
Wages and salaries	12,851,703	15,471,258
Pensions	1,213,083	1,265,177
Other social security costs	187,131	233,866
Other staff costs	145,752	191,335
Total	**14,397,669**	**17,161,636**
Average number of employees during the year	20	26

2. FINANCIAL INCOME

	2023 DKK	2022 DKK
Interest, group enterprises	177,648	156,183
Other interest income	83,644	4,115
Total	**261,292**	**160,298**

3. FINANCIAL EXPENSES

	2023 DKK	2022 DKK
Interest, group enterprises	195,791	0
Other interest expenses	1,528	32,036
Foreign currency translation adjustments	2,732	0
Other financial expenses	4,260	32,036
Total	**200,051**	**32,036**

4. WORK IN PROGRESS FOR THIRD PARTIES

	31.12.23 DKK	31.12.22 DKK
Work in progress for third parties	552,285	0
Total work in progress for third parties	552,285	0

5. LONG-TERM PAYABLES

Figures in DKK	Outstanding debt after 5 years	Total payables at 31.12.23	Total payables at 31.12.22
Other payables	588,543	714,082	689,935
Total	**588,543**	**714,082**	**689,935**

NOTES

6. CONTINGENT LIABILITIES

Lease commitments

The company has signed leases for copiers. The contracts have a remaining maturity of 34 months with a total remaining lease payment of DKK 106k.

The company has tenancy agreements with terms to maturity between 16-18 months and a total lease payment liability of DKK 1,467k.

Other contingent liabilities

The company is taxed jointly with the other companies in the group and has joint, several and unlimited liability for income taxes for the jointly taxed companies. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. Fo further information, please see the financial statements of the management company North-East Group ApS.

7. RELATED PARTIES

The company is included in the consolidated financial statements of the parent North-East Group ApS, Copenhagen.

8. ACCOUNTING POLICIES

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (Årsregnskabsloven) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement
Income is recognised in the income statement as earned, including value adjustments of fin- ancial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, 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 such assets 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 such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

NOTES

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit
Gross profit comprises revenue, other operating income and cost of sales and other external expenses.

Revenue
Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income
Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Cost of sales
Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write- downs.

Other external expenses
Other external expenses comprise costs relating to sales and advertising, administration and premises.

Staff costs
Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses
The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Leasehold improvements	3	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

NOTES

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

NOTES

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Work in progress for third parties

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

NOTES

Payments
Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash
Cash includes deposits in bank accounts as well as operating cash.

Equity
The proposed dividend for the financial year is recognised as a separate item in equity.

Grants received from the parent are recognised directly in equity under retained earnings, as the grants are treated as capital contributions.

Current and deferred tax
Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.
Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the tax able income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables
Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income
Deferred income under liabilities comprises payments received in respect of income in sub- sequent financial years.

COMPANY

INFORMATION

The Company	Hemonto A/S Skt. Clemens Torv 8B, 2. 8000 Aarhus C CVR No.: 29 83 93 95 Registered Office: Aarhus C Financial Year: 1 January - 31 December
Board of Directors	Morten Sandlykke Martin Høyer-Hansen Ken Gamskjær
Executive Board	Torben Engedal
Auditor	Beierholm Statsautoriseret Revisionspartnerselskab

HEMONTO