

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

MOLO REPUBLIC APS

Rentemestervej 49

2400 København NV

CENTRAL BUSINESS REGISTRATION no. 30 81 03 84

Adopted at the Company's
Annual General Meeting,
on 5 / 5 2022

Mogens Jepsen
The Chairman's name

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Company

MOLO REPUBLIC ApS
Rentemestervej 49
2400 København NV

Central Business Registration no. 30 81 03 84

Registered in: Copenhagen

Board of Executives

Mogens Jepsen

Company auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
Central business registration no. 19263096

Michael Dam-Johansen, State Authorized Public Accountant
Shpend Rasimi State Authorized Public Accountant

Primary activities

The company's main activity is to own shares in other companies.

Development in the Company's activities and finances

The profit for the year is total DKK 1.402.377 against DKK -4.969.934 last year.

Management considers the development to be satisfactory.

For further outlook on Molo's management commentary we refer to the annual report 2021 for the subsidiary Molo A/S.

The Board of Executives have today discussed and approved the annual report for the the financial year 1 January - 31 December 2021 of MOLO REPUBLIC ApS.

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

In my opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the result of the Company's operation and cash flow for the financial year 1 January - 31 December 2021.

In my opinion the management's review includes a fair review about the matters the review deals with.

We recommend that the Annual Report be approved at the annual general meeting.

Copenhagen, 5th May 2022

Board of Executives

Mogens Jepsen
CEO

To the shareholders of MOLO REPUBLIC ApS**Report on the Financial Statement****Opinion**

We have audited the financial statements of MOLO REPUBLIC ApS for the financial year 1 January to 31 December 2021, which comprise the accounting policies applied, the income statement, the balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statement give a true and fair view of the Company's financial position at 31 December 2021, and of the result of the Company's operations for the financial year 1 January to 31 December 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 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.

Management's responsibility 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 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 responsibility 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 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.

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'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, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management's Review.

Søborg, 5th May 2022

inforevision

statsautoriseret revisionsaktieselskab
(cvr 19263096)

Michael Dam-Johansen
State Authorized Public Accountant
mne36161

Shpend Rasimi
State Authorized Public Accountant
mne47779

The annual report has been prepared in accordance with Danish financial statements legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the Accounting Act's reporting requirements for class B companies, with the option of individual provisions from Accounting Act's reporting requirements class C.

The accounting policies have not been changed from last year.

CHANGE IN ACCOUNTING POLICIES

The Danish Financial Statements Act has been amended with regard to the addition of the accounting item participating interests, where investments in associates are now a subset of participating interests. Participating interests and investments in associated companies may continue to be presented as two separate items if the company holds both types of participating interests. However, the company only holds associates in the group equity interests, and can therefore no longer maintain the presentation of the equity interest as associates in associates based on the interpretation of the Danish Financial Statements Act. Based on this, the presentation has changed from investments in associates to participating interests. Comparative figures have been corrected accordingly. The change has not had an effect on profit, balance sheet or equity.

RECOGNITION AND MEASUREMENT

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Further to this, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Furthermore, all costs incurred to earn the profit or loss for year have been recognised in the income statement, including amortisation, depreciation, write-down and provisions as well as reversals as a consequence of changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow into 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 out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

Certain financial assets and liabilities are measured at amortised cost, by which a constant redemption yield is recognised over the term. Amortised cost is calculated as original cost less instalments and addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. Thereby, capital and exchange losses or gains are allocated over the term.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

INCOME STATEMENT

The income statement has been classified by nature.

Gross loss

Gross loss contains external expenses.

External expenses

External expenses comprise administrative expenses.

Income from equity investments

Income from the equity investments comprises the pro rata share of the investments operating profit/loss adjusted for internal profits and losses less annual amortisation of goodwill on consolidation.

Other financial expenses

Financial expenses is recognised with amounts concerning the financial year.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

The Company is jointly taxed with other Danish group enterprises with Morilo Holding ApS as management company. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses of the Danish Corporation Tax Act.

Corporation tax relating to the financial year which has not been settled at the balance sheet date is to be classified as corporation tax in receivables or liabilities other than provisions.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

BALANCE SHEET

The balance sheet has been presented in account form.

ASSETS**Investments in participating interest**

Investments in participating interest have been recognised according to the equity method, so that the investment is measured at the pro rata share of the group enterprises' net asset value adjusted for internal dividends and gains.

Distributable reserves in investments in participating interest which are distributed as dividends to the parent at the balance sheet date are included in the value of investments.

Investments in participating interest with negative net asset values are measured at zero, and any receivable from such enterprises is written down by the Parent's share of the negative net asset value to the extent deemed irrecoverable. If the negative net asset value exceeds the amount receivable, the remaining amount is recognised in provisions to the extent the Parent has a legal or constructive obligation to cover the relevant enterprise's liabilities.

Acquisition of investments in participating interest are recognized at cost. The difference between the cost price and the net asset value of the acquired company, which appears at the time of establishing the consolidation, is as far as possible allocated to the assets and liabilities whose value is higher or lower than the carrying amount.. A remaining positive difference is treated as goodwill and included in the value of investments, which is amortized in the income statement over 5 years. The depreciation period is based on an assessment of the market position, earnings profile, and expectations of customers loyalty, which within reasonable limits is based on historical data/registrations. A negative difference, reflecting an expected cost or an unfavourable development, are recognized as income in the income statement in the year of acquisition.

The total net revaluation of investments in group enterprises and associates is allocated via the profit distribution to "reserve for net revaluation according to the equity method" under equity. The reserve is reduced by dividend distributions to the Parent and is adjusted by changes in equity in participating interest.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

EQUITY AND LIABILITIES**Equity**

Management's proposed dividends for the financial year is disclosed as a separate item in equity.

Provision for deferred tax

Deferred tax is measured according to the liability method. Provision has been made for deferred tax by 22 % on all temporary differences between carrying amount and tax-based value of assets and liabilities.

Deferred tax is also measured with respect of the planned use of the asset and the settlement of the liability. The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Financial liabilities

Liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

INCOME STATEMENT
1 JANUARY - 31 DECEMBER 2021

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<u>Note</u>	<u>2021</u>	<u>2020</u>
GROSS PROFIT/LOSS	-5.375	-875
Income from equity investments	<u>1.406.736</u>	<u>-4.969.421</u>
PROFIT/LOSS BEFORE TAX	1.401.361	-4.970.296
1 Tax on profit/loss for the year	<u>976</u>	<u>362</u>
PROFIT/LOSS FOR THE YEAR	<u><u>1.402.337</u></u>	<u><u>-4.969.934</u></u>

DISTRIBUTIION OF PROFIT/LOSS

Reserve for net revaluation according to equity method	1.406.736	-5.050.201
Retained earnings	<u>-4.399</u>	<u>80.267</u>
PROFIT/LOSS FOR THE YEAR	<u><u>1.402.337</u></u>	<u><u>-4.969.934</u></u>

ASSETS

<u>Note</u>		<u>31/12 2021</u>	<u>31/12 2020</u>
2	Equity investments	<u>25.176.893</u>	<u>23.110.162</u>
	FIXED ASSET INVESTMENTS	<u>25.176.893</u>	<u>23.110.162</u>
	FIXED ASSETS	<u>25.176.893</u>	<u>23.110.162</u>
	Receivables from equity investments	123.584	4.986.211
	Joint tax contribution receivables	1.976	0
1	Deferred tax assets	<u>0</u>	<u>1.000</u>
	RECEIVABLES	<u>125.560</u>	<u>4.987.211</u>
	CURRENT ASSETS	<u>125.560</u>	<u>4.987.211</u>
	TOTAL ASSETS	<u><u>25.302.453</u></u>	<u><u>28.097.373</u></u>

EQUITY AND LIABILITIES

Note	31/12 2021	31/12 2020
Share capital	3.650.000	3.650.000
Reserve for net revaluation according to the the equity method	21.695.441	19.628.710
Retained earnings	-49.988	-45.589
EQUITY	25.295.453	23.233.121
Trade payables	7.000	8.125
Payables to group enterprises	0	4.856.127
SHORT-TERM LIABILITIES OTHER THAN PROVISIONS	7.000	4.864.252
LIABILITIES OTHER THAN PROVISIONS	7.000	4.864.252
TOTAL EQUITY AND LIABILITIES	25.302.453	28.097.373

4 Contingent liabilities

Statement of changes in equity

	Share capital	Net revaluation acc. to the equity method	Retained earnings	Proposed dividends	TOTAL
Equity at 1/1 2021	3.650.000	24.678.911	-45.054	0	28.283.857
Transferred from distribution of profit/loss	0	-5.050.201	80.267	0	-4.969.934
Change in equity	<u>0</u>	<u>0</u>	<u>-80.802</u>	<u>0</u>	<u>-80.802</u>
Equity at 1/1 2021	3.650.000	19.628.710	-45.589	0	23.233.121
Transferred from distribution of profit/loss	0	1.406.736	-4.399	0	1.402.337
Change in equity	<u>0</u>	<u>659.995</u>	<u>0</u>	<u>0</u>	<u>659.995</u>
Equity at 31/12 2021	<u><u>3.650.000</u></u>	<u><u>21.695.441</u></u>	<u><u>-49.988</u></u>	<u><u>0</u></u>	<u><u>25.295.453</u></u>

1 Corporation tax and deferred tax

	<u>Income taxes</u>	<u>Deferred tax</u>	<u>Acc. to the inc. statement</u>	<u>2020</u>
Payable at 1/1 2021	0	-1.000	0	0
Tax on profit/loss for the year	<u>-1.976</u>	<u>1.000</u>	<u>-976</u>	<u>362</u>
PAYABLE AT 31/12 2021	<u><u>-1.976</u></u>	<u><u>0</u></u>		
TAX ON PROFIT/LOSS FOR THE YEAR			<u><u>-976</u></u>	<u><u>362</u></u>

2 List of fixed assets, amortisation and depreciation,
fixed asset investments

	Equity investments	Total	31/12 2020
Cost 1/1 2021	<u>3.481.452</u>	<u>3.481.452</u>	<u>3.481.452</u>
COST AT 31/12 2021	<u>3.481.452</u>	<u>3.481.452</u>	<u>3.481.452</u>
Revaluation at 1/1 2021	22.662.265	22.662.265	27.712.488
Revaluation for the year	1.406.736	1.406.736	-4.969.421
Equity adjustments	<u>659.995</u>	<u>659.995</u>	<u>-80.802</u>
REVALUATION AT 31/12 2021	<u>24.728.996</u>	<u>24.728.996</u>	<u>22.662.265</u>
Amortisations and impairment at 1/1 2021	3.033.555	3.033.555	0
for the year	<u>0</u>	<u>0</u>	<u>3.033.555</u>
AMORTISATIONS AND IMPAIRMENT AT 31/12 2021	<u>3.033.555</u>	<u>3.033.555</u>	<u>3.033.555</u>
CARRYING AMOUNT AT 31/12 2021	<u><u>25.176.893</u></u>	<u><u>25.176.893</u></u>	<u><u>23.110.162</u></u>

3 Equity investments

The Company's group investments comprise the following:

	<u>Ownership share</u>	<u>Contributed capital</u>	<u>Profit or loss for the year</u>	<u>Equity</u>
Equity investments				
Molo A/S, København	38%	<u>500.000</u>	<u>3.701.938</u>	<u>66.254.982</u>
		<u>500.000</u>	<u>3.701.938</u>	<u>66.254.982</u>
TOTAL		<u><u>500.000</u></u>	<u><u>3.701.938</u></u>	<u><u>66.254.982</u></u>

4 Contingent liabilities

The company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsettled corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for Morilo Holding ApS. Any subsequent corrections to the corporate tax and withholding taxes can lead to a higher liability for the Company.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Mogens Jepsen

Direktør

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Michael Dam-Johansen

Statsautoriseret revisor

Serienummer: CVR:19263096-RID:1299498612011

IP: 93.165.xxx.xxx

2022-05-09 19:46:10 UTC



Shpend Rasimi

Statsautoriseret revisor

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Mogens Jepsen

Dirigent

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