



MSN Services ApS

Gyngemose Parkvej 50
2860 Søborg
CVR No. 30827333

Annual report 2020

The Annual General Meeting adopted the
annual report on 13.07.2021

Martin Horst Sørensen

Chairman of the General Meeting

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Entity details

Entity

MSN Services ApS
Gyngemose Parkvej 50
2860 Søborg

CVR No.: 30827333
Registered office: Gladsaxe
Financial year: 01.01.2020 - 31.12.2020

Executive Board

Martin Horst Sørensen, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board have today considered and approved the annual report of MSN Services ApS for the financial year 01.01.2020 - 31.12.2020.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Søborg, 13.07.2021

Executive Board

Martin Horst Sørensen
Chief Executive Officer

Independent auditor's extended review report

To the shareholders of MSN Services ApS

Report on extended review of the financial statements

Conclusion

We have performed an extended review of the financial statements of MSN Services ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with 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.

Report on other legal and regulatory requirements

Violation of the provisions of the Danish Companies Act and the Danish Withholding Tax Act governing loan to shareholders and members of management

Contrary to the Danish Companies Act, the Company last year granted a loan to the shareholder by which Management may be held responsible. The loan with the addition of interest according to section 215 of the Danish Companies Act has been repaid in 2020.

Upon payment, the Company did not comply with the Danish Withholding Tax Act by which Management may be held responsible.

København, 13.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Christina Nilsson

State Authorised Public Accountant
Identification No (MNE) mne44182

Management commentary

Primary activities

The Entity's activities comprise consultancy and financial services, including shareholding in other entities.

Development in activities and finances

The performance for the year is considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(186,980)	(69,446)
Income from investments in group enterprises		61,068	154,414
Other financial income	1	1,852,262	1,466,004
Other financial expenses		(110,785)	(95,907)
Profit/loss before tax		1,615,565	1,455,065
Tax on profit/loss for the year	2	(377,539)	(252,658)
Profit/loss for the year		1,238,026	1,202,407
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		56,500	410,808
Extraordinary dividend distributed in the financial year		0	600,000
Retained earnings		1,181,526	191,599
Proposed distribution of profit and loss		1,238,026	1,202,407

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Investments in group enterprises		191,528	138,607
Investments in associates		33,333	33,333
Financial assets	3	224,861	171,940
Fixed assets		224,861	171,940
Receivables from group enterprises		1,012,367	1,021,580
Receivables from associates		79,871	77,516
Other receivables		39,155	13,658
Receivables from owners and management	4	0	10,346
Receivables		1,131,393	1,123,100
Other investments		7,487,059	7,230,971
Other investments		7,487,059	7,230,971
Cash		461,876	447,628
Current assets		9,080,328	8,801,699
Assets		9,305,189	8,973,639

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		125,000	125,000
Retained earnings		7,379,559	6,198,033
Proposed dividend		56,500	410,808
Equity		7,561,059	6,733,841
Bank loans		1,372,963	2,157,106
Trade payables		48,000	34,750
Payables to shareholders and management		808	0
Income tax payable		322,148	47,942
Other payables		211	0
Current liabilities other than provisions		1,744,130	2,239,798
Liabilities other than provisions		1,744,130	2,239,798
Equity and liabilities		9,305,189	8,973,639
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Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	125,000	6,198,033	410,808	6,733,841
Ordinary dividend paid	0	0	(410,808)	(410,808)
Profit/loss for the year	0	1,181,526	56,500	1,238,026
Equity end of year	125,000	7,379,559	56,500	7,561,059

Notes

1 Other financial income

	2020	2019
	DKK	DKK
Financial income from group enterprises	9,433	89,041
Financial income from associates	2,355	0
Other interest income	89,184	105,722
Fair value adjustments	1,751,290	1,271,241
	1,852,262	1,466,004

2 Tax on profit/loss for the year

	2020	2019
	DKK	DKK
Current tax	343,871	99,082
Change in deferred tax	0	153,576
Adjustment concerning previous years	33,668	0
	377,539	252,658

3 Financial assets

	Investments in group enterprises DKK	Investments in associates DKK
Cost beginning of year	614,893	33,333
Cost end of year	614,893	33,333
Impairment losses beginning of year	(476,286)	0
Share of profit/loss for the year	61,068	0
Investments with negative equity value depreciated over receivables	(8,147)	0
Impairment losses end of year	(423,365)	0
Carrying amount end of year	191,528	33,333

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
MSN Trading ApS	Nexø	ApS	100,0
S Ejendomme ApS	Nexø	ApS	100,0
S Ejendomme II ApS	Nexø	ApS	100,0
SORENSEN India Private Limited	India	Ltd.	80,0

Investments in associates	Registered in	Corporate form	Equity interest %
Centreum ApS	Søborg	ApS	33,3

4 Receivables from owners and management

Receivables from the shareholder at the beginning of the year has been paid in 2020 and is thus not present as of 31 December 2020. During the period the loan has carried interest at an annual rate of 10.05% according to applicable law.

5 Fair value information

	Other investments DKK
Fair value end of year	7,487,059
Fair value adjustments recognised directly in the income statement	1,751,290

6 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity 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 these entities.

The Entity has issued letters of support to the subsidiaries S Ejendomme ApS and Centreum ApS. It appears from these letters of support that the Entity will make the necessary funds available to the subsidiaries, thus enabling them to settle their obligations as they fall due. For the company Centreum ApS the letter of support has a limit of DKK 120 thousand.

7 Assets charged and collateral

Bank loans are secured by a portfolio of securities at a book value of DKK 7.487 thousand and a bank account of DKK 170 thousand.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Income from investments in group enterprises

Income from Investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Investments in group enterprises**

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in associates

Investments in associates are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Other investments

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

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

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.