



## MSN Services ApS

Gyngemose Parkvej 50  
2860 Søborg  
CVR No. 30827333

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 09.06.2020

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**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: 01.01.2019 - 31.12.2019

## Executive Board

Martin Horst Sørensen, Chief Executive Officer

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P. O. Box 1600  
0900 Copenhagen C

# Statement by Management

The Executive Board have today considered and approved the annual report of MSN Services ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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, 09.06.2020

**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 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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.

#### **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 has 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.

Copenhagen, 09.06.2020

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

#### **Anne Elmelund Sørensen**

State Authorised Public Accountant

Identification No (MNE) mne34115

# 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

In early 2020, the outbreak of the coronavirus disease (COVID-19) has escalated, and on 11 March 2020 the WHO declared it a worldwide pandemic. The outbreak has led to a number of precautions that affect the planning and execution of day-to-day operations, and the Group's vendors may be affected as well. Their financial impact cannot be determined at this point in time.

Aside from this, no material events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>(69,445)</b>	<b>(34,007)</b>
Income from investments in group enterprises		154,414	(216,333)
Other financial income	2	1,466,003	508,501
Other financial expenses	3	(95,907)	(1,266,291)
<b>Profit/loss before tax</b>		<b>1,455,065</b>	<b>(1,008,130)</b>
Tax on profit/loss for the year	4	(252,658)	153,576
<b>Profit/loss for the year</b>		<b>1,202,407</b>	<b>(854,554)</b>
<b>Proposed distribution of profit and loss</b>			
Ordinary dividend for the financial year		410,808	54,000
Extraordinary dividend distributed in the financial year		600,000	0
Retained earnings		191,599	(908,554)
<b>Proposed distribution of profit and loss</b>		<b>1,202,407</b>	<b>(854,554)</b>



# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Investments in group enterprises		138,607	76,077
Investments in associates		33,333	33,333
<b>Other financial assets</b>	5	<b>171,940</b>	<b>109,410</b>
<b>Fixed assets</b>		<b>171,940</b>	<b>109,410</b>
Trade receivables		0	45,339
Receivables from group enterprises		1,143,287	1,224,182
Deferred tax		0	153,576
Other receivables		13,656	23,887
Income tax receivable		0	68,000
Receivables from owners and management	6	10,346	0
<b>Receivables</b>		<b>1,167,289</b>	<b>1,514,984</b>
Other investments		7,230,971	5,793,649
<b>Other investments</b>		<b>7,230,971</b>	<b>5,793,649</b>
<b>Cash</b>		<b>447,628</b>	<b>467,721</b>
<b>Current assets</b>		<b>8,845,888</b>	<b>7,776,354</b>
<b>Assets</b>		<b>9,017,828</b>	<b>7,885,764</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		125,000	125,000
Retained earnings		6,198,032	6,006,433
Proposed dividend		410,808	54,000
<b>Equity</b>		<b>6,733,840</b>	<b>6,185,433</b>
Provisions for investments in group enterprises		44,191	136,077
<b>Provisions</b>		<b>44,191</b>	<b>136,077</b>
Bank loans		2,157,106	1,523,797
Income tax payable		47,942	0
Other payables		34,749	40,457
<b>Current liabilities other than provisions</b>		<b>2,239,797</b>	<b>1,564,254</b>
<b>Liabilities other than provisions</b>		<b>2,239,797</b>	<b>1,564,254</b>
<b>Equity and liabilities</b>		<b>9,017,828</b>	<b>7,885,764</b>
Events after the balance sheet date	1		
Contingent liabilities	7		
Assets charged and collateral	8		

# Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	125,000	6,006,433	0	54,000	6,185,433
Ordinary dividend paid	0	0	0	(54,000)	(54,000)
Extraordinary dividend paid	0	0	(600,000)	0	(600,000)
Profit/loss for the year	0	191,599	600,000	410,808	1,202,407
<b>Equity end of year</b>	<b>125,000</b>	<b>6,198,032</b>	<b>0</b>	<b>410,808</b>	<b>6,733,840</b>

# Notes

## 1 Events after the balance sheet date

In early 2020, the outbreak of the coronavirus disease (COVID-19) has escalated, and on 11 March 2020 the WHO declared it a worldwide pandemic. The outbreak has led to a number of precautions that affect the planning and execution of day-to-day operations, and the Group's vendors may be affected as well. Their financial impact cannot be determined at this point in time.

Aside from this, no material events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## 2 Other financial income

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	89,041	51,752
Other interest income	105,721	184,891
Fair value adjustments	1,271,241	271,858
	<b>1,466,003</b>	<b>508,501</b>

## 3 Other financial expenses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	30,641	30,324
Fair value adjustments	0	1,210,001
Other financial expenses	65,266	25,966
	<b>95,907</b>	<b>1,266,291</b>

## 4 Tax on profit/loss for the year

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	99,082	0
Change in deferred tax	153,576	(153,576)
	<b>252,658</b>	<b>(153,576)</b>

## 5 Financial assets

	Investments in group enterprises DKK	Investments in associates DKK
Cost beginning of year	614,893	33,333
<b>Cost end of year</b>	<b>614,893</b>	<b>33,333</b>
Revaluations beginning of year	(538,816)	0
Share of profit/loss for the year	62,530	0
<b>Revaluations end of year</b>	<b>(476,286)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>138,607</b>	<b>33,333</b>

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

## 6 Receivables from owners and management

As of 31 December 2019, receivables consist of receivables from the shareholder of DKK 10 thousand. The loan carries interest at an annual rate of 10.05% according to applicable law. Interest charged for the year amounts to DKK 445. Neither interest terms nor terms of repayment have been agreed just as security has not been provided for the loan. The loan has been repaid in 2020.

## 7 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 160 thousand.

## 8 Assets charged and collateral

Bank loans are secured by a portfolio of securities at a book value of DKK 7.231 thousand and a bank account of DKK 154 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.

## 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.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Income tax payable or receivable**

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

**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 provisions**

Other provisions comprise anticipated costs of decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

**Other financial liabilities**

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