



## Many Digital A/S

Sletvej 2 E  
8310 Tranbjerg J  
CVR No. 34052247

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 31.05.2021

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**Martin Robert Knudsen**

Chairman of the General Meeting

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# Entity details

## Entity

Many Digital A/S

Sletvej 2 E

8310 Tranbjerg J

CVR No.: 34052247

Registered office: Aarhus

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Kristian Busk Mouritzen, Chairman of the Board

Tom Matthiesen

Steen McCormick

Shanker Subramaniam

## Executive Board

Tom Matthiesen, adm. dir.

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Lead Client Service Partner : Mads Faurskov

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Many Digital A/S for the financial year 01.01.2020 - 31.12.2020.

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 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.

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

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

Aarhus, 31.05.2021

## Executive Board

**Tom Matthiesen**

adm. dir.

## Board of Directors

**Kristian Busk Mouritzen**

Chairman of the Board

**Tom Matthiesen**

**Steen McCornmick**

**Shanker Subramaniam**

# Independent auditor's extended review report

**To the shareholders of Many Digital A/S**

## Conclusion

We have performed an extended review of the financial statements of Many Digital A/S 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.

Aarhus, 31.05.2021

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Søren Lykke**

State Authorised Public Accountant  
Identification No (MNE) mne32785

# Management commentary

## Primary activities

The company's purpose is to develop, sell and maintain a digital, IT-based platform for rightholders primarily within the sports industry. Furthermore, the company operates as consulting within digital strategy, communication and Social Media and fields related to these areas.

## Description of material changes in activities and finances

The result of the year shows a deficit of DKK -1,801,294 against a deficit last year of DKK -1,574,608.

In 2021, the Company has carried out a capital increase totalling DKK 3,000,000, which ensures the Company sufficient liquidity for its continued development and going concern

## Events after the balance sheet date

MANY Digital provides IT solutions to professional sports clubs and rightholders who are still directly affected by the COVID-19 crisis with the consequent lockdown of sporting events. Throughout 2020, the lockdown has negatively affected and prolonged the sales process in MANY Digital A/S and resulted in a lack of increase in our new business and revenue generation. In the short term in 2021, we expect this negative effect to continue. With the expected re-opening of society to happen soon, we are, however, still optimistic that the business climate will change and become positive for us. In the longer term (post COVID-19), we expect the situation to have a positive effect for the company, as the core of our value creation (digital relationship between rights holder, fans and sponsors / commercial partners) is only strengthened and the demand for such solutions is expected to increase.

# Income statement for 2020

	Notes	2020 DKK	2019 DKK
<b>Gross profit/loss</b>	2	<b>625,301</b>	<b>666,235</b>
Staff costs	3	(1,111,189)	(1,173,900)
Depreciation, amortisation and impairment losses	4	(2,018,310)	(1,414,401)
<b>Operating profit/loss</b>		<b>(2,504,198)</b>	<b>(1,922,066)</b>
Other financial expenses	5	(92,393)	(45,140)
<b>Profit/loss before tax</b>		<b>(2,596,591)</b>	<b>(1,967,206)</b>
Tax on profit/loss for the year	6	795,297	392,598
<b>Profit/loss for the year</b>		<b>(1,801,294)</b>	<b>(1,574,608)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(1,801,294)	(1,574,608)
<b>Proposed distribution of profit and loss</b>		<b>(1,801,294)</b>	<b>(1,574,608)</b>



# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Completed development projects	8	6,977,138	5,607,733
<b>Intangible assets</b>	7	<b>6,977,138</b>	<b>5,607,733</b>
Other fixtures and fittings, tools and equipment		0	0
<b>Property, plant and equipment</b>	9	<b>0</b>	<b>0</b>
Deposits		33,435	7,600
<b>Financial assets</b>	10	<b>33,435</b>	<b>7,600</b>
<b>Fixed assets</b>		<b>7,010,573</b>	<b>5,615,333</b>
Trade receivables		162,952	527,577
Other receivables		0	2,781
Joint taxation contribution receivable		745,297	619,598
Prepayments		48,981	100,000
<b>Receivables</b>		<b>957,230</b>	<b>1,249,956</b>
<b>Cash</b>		<b>1,248,322</b>	<b>20,531</b>
<b>Current assets</b>		<b>2,205,552</b>	<b>1,270,487</b>
<b>Assets</b>		<b>9,216,125</b>	<b>6,885,820</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital		595,440	571,440
Reserve for development expenditure		5,442,168	4,374,031
Retained earnings		(1,306,544)	506,887
<b>Equity</b>		<b>4,731,064</b>	<b>5,452,358</b>
Deferred tax		712,000	762,000
<b>Provisions</b>		<b>712,000</b>	<b>762,000</b>
Other payables		3,130,084	105,500
<b>Non-current liabilities other than provisions</b>	11	<b>3,130,084</b>	<b>105,500</b>
Current portion of non-current liabilities other than provisions	11	47,128	0
Trade payables		155,175	276,093
Other payables		440,674	189,869
Deferred income		0	100,000
<b>Current liabilities other than provisions</b>		<b>642,977</b>	<b>565,962</b>
<b>Liabilities other than provisions</b>		<b>3,773,061</b>	<b>671,462</b>
<b>Equity and liabilities</b>		<b>9,216,125</b>	<b>6,885,820</b>
Going concern	1		
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Assets charged and collateral	14		

# Statement of changes in equity for 2020

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	571,440	0	4,374,031	506,887	5,452,358
Increase of capital	24,000	1,056,000	0	0	1,080,000
Transfer to reserves	0	(1,056,000)	1,068,137	(12,137)	0
Profit/loss for the year	0	0	0	(1,801,294)	(1,801,294)
<b>Equity end of year</b>	<b>595,440</b>	<b>0</b>	<b>5,442,168</b>	<b>(1,306,544)</b>	<b>4,731,064</b>

# Notes

## 1 Going concern

After the balance sheet date, the Management and Board have prepared an investor prospect including updated budgets and forecast in order to seek further investment into MANY Digital A/S via a capital increase. The management and Board are also in close dialogue with Vaekstfonden about matching any new investment with an increased loan facility. Both dialogues are progressing in a positive direction, and the management and Board expect to have this finalized during April/May.

## 2 Gross profit/loss

Other operating income included in the gross profit in 2020 (DKK 220,676) relates to compensation received for salaries and fixed costs established because of the COVID-19 pandemic.

## 3 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	2,911,040	2,663,601
Other social security costs	38,860	42,820
Other staff costs	3,865	23,419
	<b>2,953,765</b>	<b>2,729,840</b>
Staff costs classified as assets	(1,842,576)	(1,555,940)
	<b>1,111,189</b>	<b>1,173,900</b>
Average number of full-time employees	5	6

## 4 Depreciation, amortisation and impairment losses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	2,018,310	1,414,401
	<b>2,018,310</b>	<b>1,414,401</b>

## 5 Other financial expenses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	0	24,261
Other interest expenses	92,393	20,879
	<b>92,393</b>	<b>45,140</b>

## 6 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	(745,297)	(619,598)
Change in deferred tax	(50,000)	227,000
	<b>(795,297)</b>	<b>(392,598)</b>

## 7 Intangible assets

	Completed development projects DKK
Cost beginning of year	8,079,247
Additions	3,387,715
<b>Cost end of year</b>	<b>11,466,962</b>
Amortisation and impairment losses beginning of year	(2,471,514)
Amortisation for the year	(2,018,310)
<b>Amortisation and impairment losses end of year</b>	<b>(4,489,824)</b>
<b>Carrying amount end of year</b>	<b>6,977,138</b>

## 8 Development projects

Activated completed development projects relate to the company's incurred costs for further development of an IT platform with associated mobile applications (iOS and Android apps) targeted at sports rightholders, their fans and commercial partners.

Through the development project, the company has tested and sold the IT platform and the associated apps to customers in Denmark, Germany and the UK in 2020 and on this basis has activated the development project. The IT platform is now at a stage where it works in its entirety and has proven its basic technical functionality. The activated development costs thus relate to the expansion of the IT platform's technical functionality and stability, including in particular integrations with several third-party IT services, which strengthen both the company's and the customers' business gain from the IT platform. The Management expects to continue the technical development of both the IT platform and associated apps in 2021 to expand the competitive advantage it has in the market. The Management also expects future earnings on the IT platform that significantly exceed the value of the capitalized development costs.

Once the development project has been completed and the IT platform has been further developed with a number of additional technical functionalities, the company expects to be able to capture bigger market shares in its current markets, and also scale the business outside of its commercial footprint in Denmark, Germany and the UK. The IT platform is depreciated over 5 years..

## 9 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	16,399
<b>Cost end of year</b>	<b>16,399</b>
Depreciation and impairment losses beginning of year	(16,399)
<b>Depreciation and impairment losses end of year</b>	<b>(16,399)</b>
<b>Carrying amount end of year</b>	<b>0</b>

## 10 Financial assets

	<b>Deposits DKK</b>
Cost beginning of year	7,600
Additions	28,500
Disposals	(2,665)
<b>Cost end of year</b>	<b>33,435</b>
<b>Carrying amount end of year</b>	<b>33,435</b>

## 11 Non-current liabilities other than provisions

	<b>Due within 12 months 2020 DKK</b>	<b>Due after more than 12 months 2020 DKK</b>	<b>Outstanding after 5 years 2020 DKK</b>
Other payables	47,128	3,130,084	1,640,107
	<b>47,128</b>	<b>3,130,084</b>	<b>1,640,107</b>

Long-term liabilities relates to loans from Vaekstfonden.

## 12 Unrecognised rental and lease commitments

	<b>2020 DKK</b>	<b>2019 DKK</b>
Liabilities under rental or lease agreements until maturity in total	48,300	61,300

## 13 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Lighthouse DK IVS serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

#### **14 Assets charged and collateral**

As security for debt to Vækstfonden, a registered corporate mortgage of DKK 3,200,000 has been secured.

# 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, other operating income 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 operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### 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.



**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

**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****Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are

measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment 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.

### **Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in bank deposits.

### **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.

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.

### **Other financial liabilities**

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

### **Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.