

---

# ***Nordic Development Corporation ApS***

Nørrebrogade 45 C, st. th., DK-2200 København N

## **Annual Report for 1 January - 31 December 2018**

---

CVR No 36 49 37 20

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/5 2019

Jesper Wangenstein  
Lindhardt  
Chairman of the General  
Meeting



# Contents

|  | <u>Page</u> |
|--|-------------|
| <b>Management's Statement and Auditor's Report</b> |             |
| Management's Statement                             | 1           |
| Independent Auditor's Report                       | 2           |
| <b>Company Information</b>                         |             |
| Company Information                                | 5           |
| Management's Review                                | 6           |
| <b>Financial Statements</b>                        |             |
| Income Statement 1 January - 31 December           | 7           |
| Balance Sheet 31 December                          | 8           |
| Notes to the Financial Statements                  | 10          |

# **Management's Statement**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nordic Development Corporation ApS for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 31 May 2019

## **Executive Board**

Jesper Wangenstein Lindhardt

## **Board of Directors**

Henrik Skovby  
Chairman

# Independent Auditor's Report

To the Shareholder of Nordic Development Corporation ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nordic Development Corporation ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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' 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, 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 judgement 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 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

# Independent Auditor's Report

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.

Trekantområdet, 31 May 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Morten Elbæk Jensen  
statsautoriseret revisor  
mne27737

## Company Information

### **The Company**

Nordic Development Corporation ApS  
Nørrebrogade 45 C, st. th.  
DK-2200 København N

CVR No: 36 49 37 20

Financial period: 1 January - 31 December

Incorporated: 14 January 2015

Municipality of reg. office: København

### **Board of Directors**

Henrik Skovby , Chairman

### **Executive Board**

Jesper Wangenstein Lindhardt

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
DK-7100 Vejle

## **Management's Review**

Financial Statements of Nordic Development Corporation ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### **Key activities**

The Company's object to partner with leading organisations and investors from the public, private and civic sectors to explore new solutions to societal challenges. We are committed to developing large-scale impact investments that will inspire change and help shape the Nordics of tomorrow.

### **Development in the year**

The income statement of the Company for 2018 shows a profit of DKK 9,861, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 150,104.

The business model of Nordic Development Corporation is to develop projects until they are matured. At a point in the development, the project will become independent and no longer be part of the Nordic Development Corporation. In 2018, an increased amount of activities was performed in the project organisations such as the UN Live. Therefore, the decrease in revenues of the Nordic Development Corporation does not correspond to a decrease in activities, the activities have just been placed directly in the project organisations.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

|  | Note | 2018<br>DKK      | 2017<br>DKK      |
|--|------|------------------|------------------|
| <b>Gross profit/loss</b>   |      | <b>4.102.440</b> | <b>4.947.795</b> |
| Staff expenses   | 1    | -4.071.681       | -4.812.756       |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment |      | -15.643          | -15.643          |
| <b>Profit/loss before financial income and expenses</b>  |      | <b>15.116</b>    | <b>119.396</b>   |
| Financial income   |      | 4.948            | 10.450           |
| Financial expenses   |      | -6.147           | -14.402          |
| <b>Profit/loss before tax</b>  |      | <b>13.917</b>    | <b>115.444</b>   |
| Tax on profit/loss for the year  | 2    | -4.056           | -26.158          |
| <b>Net profit/loss for the year</b>  |      | <b>9.861</b>     | <b>89.286</b>    |

## Distribution of profit

### Proposed distribution of profit

|                                |              |               |
|--------------------------------|--------------|---------------|
| Proposed dividend for the year | 26.000       | 0             |
| Retained earnings              | -16.139      | 89.286        |
|                                | <b>9.861</b> | <b>89.286</b> |

# Balance Sheet 31 December

## Assets

|                                      | Note | 2018<br>DKK      | 2017<br>DKK      |
|--------------------------------------|------|------------------|------------------|
| Leasehold improvements               |      | 39.108           | 54.751           |
| <b>Property, plant and equipment</b> |      | <b>39.108</b>    | <b>54.751</b>    |
| <b>Fixed assets</b>                  |      | <b>39.108</b>    | <b>54.751</b>    |
| Trade receivables                    |      | 1.466.769        | 2.442.893        |
| Other receivables                    |      | 154.470          | 308.940          |
| Prepayments                          |      | 546.925          | 659.510          |
| <b>Receivables</b>                   |      | <b>2.168.164</b> | <b>3.411.343</b> |
| <b>Cash at bank and in hand</b>      |      | <b>641.400</b>   | <b>539.774</b>   |
| <b>Currents assets</b>               |      | <b>2.809.564</b> | <b>3.951.117</b> |
| <b>Assets</b>                        |      | <b>2.848.672</b> | <b>4.005.868</b> |

# Balance Sheet 31 December

## Liabilities and equity

|  | Note | 2018<br>DKK      | 2017<br>DKK      |
|--|------|------------------|------------------|
| Share capital  |      | 50.000           | 50.000           |
| Retained earnings  |      | 74.104           | 90.243           |
| Proposed dividend for the year                                 |      | 26.000           | 0                |
| <b>Equity</b>  | 3    | <b>150.104</b>   | <b>140.243</b>   |
| Trade payables   |      | 997.507          | 2.021.469        |
| Payables to group enterprises                                  |      | 34.417           | 365.582          |
| Corporation tax  |      | 4.048            | 26.158           |
| Other payables   |      | 1.662.596        | 1.452.416        |
| <b>Short-term debt</b>   |      | <b>2.698.568</b> | <b>3.865.625</b> |
| <b>Debt</b>  |      | <b>2.698.568</b> | <b>3.865.625</b> |
| <b>Liabilities and equity</b>                                  |      | <b>2.848.672</b> | <b>4.005.868</b> |
| Main activity  |      |                  |                  |
| Contingent assets, liabilities and other financial obligations | 4    |                  |                  |
| Accounting Policies  | 5    |                  |                  |

## Notes to the Financial Statements

|   | 2018<br><u>DKK</u>      | 2017<br><u>DKK</u>      |                                |                       |
|---|-------------------------|-------------------------|--------------------------------|-----------------------|
| <b>1 Staff expenses</b>                     |                         |                         |                                |                       |
| Wages and salaries                          | 3.967.343               | 4.950.650               |                                |                       |
| Other social security expenses              | 7.639                   | 107.846                 |                                |                       |
| Other staff expenses                        | 96.699                  | -245.740                |                                |                       |
|   | <u><b>4.071.681</b></u> | <u><b>4.812.756</b></u> |                                |                       |
| <br>  |                         |                         |                                |                       |
| <b>Average number of employees</b>          | <u><b>8</b></u>         | <u><b>9</b></u>         |                                |                       |
| <br>  |                         |                         |                                |                       |
| <b>2 Tax on profit/loss for the year</b>    |                         |                         |                                |                       |
| Current tax for the year                    | 4.048                   | 26.158                  |                                |                       |
| Adjustment of tax concerning previous years | 8                       | 0                       |                                |                       |
|   | <u><b>4.056</b></u>     | <u><b>26.158</b></u>    |                                |                       |
| <br>  |                         |                         |                                |                       |
| <b>3 Equity</b>                             |                         |                         |                                |                       |
|   | Share capital           | Retained earnings       | Proposed dividend for the year | Total                 |
|   | <u>DKK</u>              | <u>DKK</u>              | <u>DKK</u>                     | <u>DKK</u>            |
| Equity at 1 January                         | 50.000                  | 90.243                  | 0                              | 140.243               |
| Net profit/loss for the year                | 0                       | -16.139                 | 26.000                         | 9.861                 |
| <b>Equity at 31 December</b>                | <u><b>50.000</b></u>    | <u><b>74.104</b></u>    | <u><b>26.000</b></u>           | <u><b>150.104</b></u> |

# Notes to the Financial Statements

## 4 Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

The company has entered a lease contract of DKK 1.432 thousand in the non-cancellable period. The annual lease amounts to DKK 806 thousand.

### Other contingent liabilities

The company has deposited in cash account, DKK 100.000 for security for debt to MasterCard

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Henrik Skovby Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 5 Accounting Policies

The Annual Report of Nordic Development Corporation ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2018 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to 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.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## 5 Accounting Policies (continued)

### Income Statement

#### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

#### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

### Balance Sheet

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are

# Notes to the Financial Statements

## 5 Accounting Policies (continued)

recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment      5      years

Depreciation period and residual value are reassessed annually.

### **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Dividend**

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.