
Nordic Development Corporation ApS

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

Annual Report for 1 January - 31 December 2021

CVR No 36 49 37 20

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
1 /8 2022

Henrik Skovby
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Nordic Development Corporation ApS for the financial year 1 January - 31 December 2021.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

Copenhagen, 1 August 2022

Executive Board

Henrik Skovby

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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 2021, which comprise income statement, balance sheet, statement of changes in equity 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' 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.

Emphasis of Matter

We refer to Note 1, where it is described that the company is expecting to end its activities, that the Financial Statements have not been prepared under the assumption of going concern and that recognition, measurement and presentation is in accordance with this.

Our opinion is not modified in respect of this matter.

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 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

Independent Auditor's Report

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 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.

Independent Auditor's Report

Trekantområdet, 1 August 2022

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

Executive Board

Henrik Skovby

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Herredsvej 32
DK-7100 Vejle

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		651,445	5,104,811
Staff expenses	3	-2,521,495	-4,485,377
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-7,822	-15,643
Profit/loss before financial income and expenses		-1,877,872	603,791
Income from investments in subsidiaries		-8,600	0
Financial income		-42	0
Financial expenses		-10,360	-2,574
Profit/loss before tax		-1,896,874	601,217
Tax on profit/loss for the year	4	0	-132,619
Net profit/loss for the year		-1,896,874	468,598

Distribution of profit

Proposed distribution of profit

Retained earnings		-1,896,874	468,598
		-1,896,874	468,598

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Leasehold improvements		0	7,822
Property, plant and equipment		0	7,822
Investments in subsidiaries	5	31,400	40,000
Fixed asset investments		31,400	40,000
Fixed assets		31,400	47,822
Trade receivables		685,864	685,684
Contract work in progress		544,404	0
Receivables from group enterprises		2,529	2,529
Other receivables		91,843	154,470
Receivables		1,324,640	842,683
Cash at bank and in hand		2,017,913	3,892,603
Currents assets		3,342,553	4,735,286
Assets		3,373,953	4,783,108

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		50,000	50,000
Retained earnings		-1,230,456	666,418
Equity		-1,180,456	716,418
Deposits		10,530	10,530
Other payables		456,438	361,690
Long-term debt	6	466,968	372,220
Trade payables		658,930	798,556
Payables to group enterprises		211,353	79,015
Corporation tax		0	132,638
Other payables	6	3,217,158	2,684,261
Short-term debt		4,087,441	3,694,470
Debt		4,554,409	4,066,690
Liabilities and equity		3,373,953	4,783,108
Going concern and events after the balance sheet date	1		
Key activities	2		
Contingent assets, liabilities and other financial obligations	7		
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	50,000	666,418	716,418
Net profit/loss for the year	0	-1,896,874	-1,896,874
Equity at 31 December	50,000	-1,230,456	-1,180,456

Notes to the Financial Statements

1 Going concern and events after the balance sheet date

Management has decided to liquidate the company and has in 2022 made an agreement with the companies largest creditors that will allow a solvent liquidation. The agreement has been accepted by all parties involved, but has not yet been formally signed. Management expects the agreement to be signed shortly and that a solvent liquidation will take place in 2022.

As a consequence of the agreement Management has decided that the Financial Statements are not prepared in accordance with the going concern principle. Recognition, measurement and presentation are in accordance with this.

2 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.

3 Staff expenses

	2021 DKK	2020 DKK
Wages and salaries	2,407,120	4,258,938
Other social security expenses	35,098	53,090
Other staff expenses	79,277	173,349
	2,521,495	4,485,377
Average number of employees	3	7

4 Tax on profit/loss for the year

Current tax for the year	0	132,638
Adjustment of tax concerning previous years	0	-19
	0	132,619

5 Investments in subsidiaries

Cost at 1 January	40,000	0
Additions for the year	0	40,000
Cost at 31 December	40,000	40,000

Notes to the Financial Statements

	2021 DKK	2020 DKK
5 Investments in subsidiaries (continued)		
Value adjustments at 1 January	0	0
Net profit/loss for the year	-8,600	0
Value adjustments at 31 December	-8,600	0
Carrying amount at 31 December	31,400	40,000

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Dalberg Media Publishing ApS	København	40.000	100%

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021 DKK	2020 DKK
Deposits		
Between 1 and 5 years	10,530	10,530
Long-term part	10,530	10,530
Within 1 year	0	0
	10,530	10,530
Other payables		
After 5 years	456,438	361,690
Long-term part	456,438	361,690
Other short-term payables	3,217,158	2,684,261
	3,673,596	3,045,951

Notes to the Financial Statements

7 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

The company has entered a lease contract of DKK 385 thousand in the non-cancellable period. The annual lease amounts to DKK 716 thousand.

Other contingent liabilities

The company has deposited cash at bank, 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

8 Accounting Policies

The Annual Report of Nordic Development Corporation ApS for 2021 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 accounting policies applied remain unchanged from last year. The Financial Statements have not been prepared under the assumption of going concern. The recognition, measurement and presentation is in accordance with this.

The Financial Statements for 2021 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

8 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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

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.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

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.

Notes to the Financial Statements

8 Accounting Policies (continued)

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.

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
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The fixed assets' residual values are determined at nil.

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.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation

Notes to the Financial Statements

8 Accounting Policies (continued)

of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

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

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

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.