SumUp MG ApS

Ewaldsgade 3, 3., 2200 København N
CVR no. 36 73 00 99

Annual report 2022

Approved at the Company's annual general meeting on 6 July 2023
Chairman of the meeting:

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Maximilian Théodore Alexander J Stella

Contents

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of SumUp MG ApS for the financial year 1 January - 31 December 2022.

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 of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 6 July 2023
Executive Board:

______________________	______________________
Maximilian Théodore Alexander J Stella	Tobias Julian Janiesch
Director	Director

Independent Auditor's Report

To the Shareholder of SumUp MG ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SumUp MG ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

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 Financial 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 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 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 judgment and maintain professional skepticism 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.

Hellerup, 6. July 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Benny Voss
State Authorised Public Accountant
mne15009

Management's review

Company details

Name	SumUp MG ApS
Address,	Ewaldsgade 3, 3.,
Postal code, City	2200 København N
CVR no.	36 73 00 99
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Maximilian Théodore Alexander J Stella
	Tobias Julian Janiesch
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Business review

The Company's principal activities consist of an easy-to-use online accounting and invoicing programme specifically developed for small enterprises.

Financial review

The income statement for 2022 shows a loss of DKK 10,226,031 against a loss of DKK 7,440,490 last year, and the balance sheet at 31 December 2022 shows a negative equity of DKK 19,319,482.

Management considers the Company's financial performance in the year as unsatisfactory.

In order to ensure business continuity, the company has obtained a letter of comfort from SumUp Holdings S.a.r.l., covering 12 months after the financial year-end, stating that adequate financial support will be provided if necessary. We refer to Note 2, where the issue is described.

Events after the balance sheet date

No significant events have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2022	2021
	Gross profit	41,429,791	15,954,901
3	Staff costs	-31,356,298	-19,418,645
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-8,439,747	-3,985,978
	Other operating expenses	-6,797,964	-3,070
	Profit/loss before net financials	-5,164,218	-7,452,792
	Financial income	99,008	12,513
4	Financial expenses	-5,160,821	-2,701,593
	Profit/loss before tax	-10,226,031	-10,141,872
	Tax for the year	0	2,701,382
	Profit/loss for the year	**-10,226,031**	**-7,440,490**

Distribution of profit/loss		
Reserve for development costs	0	6,632,149
Retained earnings/accumulated loss	-10,226,031	-14,072,639
	-10,226,031	**-7,440,490**

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2022	2021
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Completed development projects	0	15,819,690
		0	15,819,690
6	Property, plant and equipment		
	Land and buildings	799,010	3,162,158
	Other fixtures and fittings, tools and equipment	528,786	733,134
		1,327,796	3,895,292
7	Investments		
	Investments in subsidiaries	42,067	76,028
		42,067	76,028
	Total fixed assets	**1,369,863**	**19,791,010**
	Non-fixed assets		
	Receivables		
	Receivables from group entities	43,247,973	6,254,280
	Income taxes receivable	0	2,268,093
	Other receivables	177,427	788,285
	Prepayments	191,768	3,356,234
		43,617,168	12,666,892
	Cash	3,720,254	1,800,634
	Total non-fixed assets	**47,337,422**	**14,467,526**
	TOTAL ASSETS	**48,707,285**	**34,258,536**

Financial statements 1 January - 31 December

Balance sheet (cont.)

Note	DKK	2022	2021
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50,321	50,321
	Share premium account	7,447,499	7,447,499
	Reserve for development costs	0	12,339,358
	Retained earnings	-26,817,301	-28,930,628
	Total equity	**-19,319,481**	**-9,093,450**
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
8	Other payables	1,068,017	2,181,038
		1,068,017	2,181,038
	Current liabilities other than provisions		
	Payables to group entities	64,871,466	37,471,879
8	Other payables	2,087,283	3,699,069
		66,958,749	41,170,948
	Total liabilities other than provisions	**68,026,766**	**43,351,986**
	TOTAL EQUITY AND LIABILITIES	**48,707,285**	**34,258,536**

1 Accounting policies
2 Going concern uncertainties
9 Contingent assets, liabilities and other financial obligations

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2021	50,321	7,447,499	5,707,209	-14,637,993	-1,432,964
Transfer through appropriation of loss	0	0	6,632,149	-14,072,639	-7,440,490
Other value adjustments of equity	0	0	0	-219,996	-219,996
Equity at 31 December 2021	50,321	7,447,499	12,339,358	-28,930,628	-9,093,450

Equity at 1 January 2022	50,321	7,447,499	12,339,358	-28,930,628	-9,093,450
Transfer through appropriation of loss	0	0	0	-10,226,031	-10,226,031
Other value adjustments of equity	0	0	-12,339,358	12,339,358	0
Equity at 31 December 2022	50,321	7,447,499	0	-26,817,301	-19,319,481

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of SumUp MG ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities and IFRS16 (leases).

In accordance with section 1 10 (1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or
financial expenses.

Income statement

Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other opera ting expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, e tc. The item is net of refunds f rom public authorities.

Amortisation /deprecia tion

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/ depreciation, which is calculated as cost less any residual value, is amortised/ depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	6 years
Land and buildings	3 years
Other fixtures and fittings, tools and equipment	3 years

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/ loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Intangible assets

Development costs comprise expenses, salaries, and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market, or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Leases

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor.

Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Gains and losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired, in which case the carrying amount is reduced to the net realisable value.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short-term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/ loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

2 Going concern uncertainties

The Company has lost more than half of its share capital. The Company expects the share capital to be restored through its operations.

In order to ensure business continuity, the company has obtained a letter of comfort from SumUp Holdings S.a.r.l., covering 1 2 months after the financial year-end, stating that adequate financial support will be provided if necessary.

Management considers the Company as a Going Concern.

	DK K	2022	2021
3	Staff costs		
	Wages/salaries	21,922,902	13,784,767
	Pensions	1,832,334	1,539,017
	Other staff costs	7,601,062	4,094,861
		31,356,298	**19,418,645**
	Average number of full-time employees	33	28
4	Financial expenses		
	Interest expenses, group entities	4,725,786	2,161,799
	Exchange losses	336,878	247,320
	Other financial expenses	98,157	292,474
		5,160,821	**2,701,593**

5 Intangible assets

DK K	**2022 Completed development projects**	**2021 Completed development projects**
Cost at 1 January 2022	20,283,059	9,973,547
Additions in the year	399,055	10,308,512
Disposals in the year	-9,412,949	0
Cost at 31 December 2022	**11,269,165**	**20,282,059**
Impairment losses and amortisation at 1 January 2022	4,463,369	2,655,612
Amortisation/depreciation in the year	6,805,796	1,806,757
Impairment losses and amortisation at 31 December 2022	11,269,165	4,462,369
Carrying amount at 31 December 2022	**0**	**15,819,690**

Financial statements 1 January - 31 December
Notes to the financial statements

6 Property, plant and equipment

DKK	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2022	7,133,186	1,721,328	8,854,514
Additions in the year	0	215,859	215,859
Disposals in the year	-5,310,143	-112,004	-5,422,147
Cost at 3 1 December 2022	**1,823,043**	**1,825,183**	**3,648,226**
Impairment losses and depreciation at 1 January 2022	3,971,028	988,194	4,959,222
Amortisation/ depreciation in the year	1,232,576	402,116	1,634,692
Amortisation/ depreciation and impairment of disposals in the year	-4,179,571	-93,913	-4,273,484
Impairment losses and depreciation at 31 December 2022	1,024,033	1,296,397	2,320,430
Carrying amount at 31 December 2022	**799,010**	**528,786**	**1,327,796**
Property, plant and equipment include operating leases with a carrying amount totaling	**799,010**	**0**	**799,010**

DKK	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2021	4,496,716	1,288,191	5,784,907
Additions in the year	2,636,470	453,190	3,089,660
Disposals in the year	0	-20,053	-20,053
Cost at 3 1 December 2021	**7,133,186**	**1,721,328**	**8,854,514**
Impairment losses and depreciation at 1 January 2021	2,216,278	583,776	2,800,054
Amortisation/ depreciation in the year	1,754,750	424,471	2,179,221
Amortisation/ depreciation and impairment of disposals in the year	0	-20,053	-20,053
Impairment losses and depreciation at 31 December 2021	3,971,028	988,194	4,959,222
Carrying amount at 31 December 2021	**3,162,158**	**733,134**	**3,895,292**
Property, plant and equipment include operating leases with a carrying amount totaling	**3,162,158**	**0**	**3,162,158**

7 Investments

DKK	Investments in subsidiaries
Cost at 1 January 2022	76,028
Disposals	-33,961
Cost at 31 December 2022	42,067
Carrying amount at 31 December 2022	**42,067**

Name	Legal form	Domicile	Interest
Subsidiaries			
Debitoor UK	Ltd.	Reading	100.00%
Debitoor	GmbH	Berlin	100.00%
Debitoor Ireland	Ltd.	Dublin	100.00%

DKK	Investments in subsidiaries
Cost at 1 January 2021	76,028
Cost at 31 December 2021	76,028
Carrying amount at 31 December 2021	**76,028**

Name	Legal form	Domicile	Interest
Subsidiaries			
Debitoor UK	Ltd.	Reading	100.00%
Debitoor	GmbH	Berlin	100.00%
Debitoor España	S.L	Madrid	100.00%
Debitoor Ireland	Ltd.	Dublin	100.00%

8 Other payables

Other payables primarily consist of lease liabilities, holiday allowance and other non-current provisions.

Other payables

DK K	2022	2021
Within 1 year	2,087,283	3,699,069
Within 1-5 years	1,068,017	2,181,038
	3,155,300	**5,880,107**

9 Contingent assets, liabilities and other financial obligations

As security for the Company's deposit leased premises, the Company has provided security or other collateral in its assets for at total amount of DKK 775 thousand. The total carrying amount of these assets is DKK 775 thousand.