

CMC development ApS

Home address: Rådhusvej 13, st., 2920 Charlottenlund

CVR-number 36 90 19 69

Annual Report 2022

Financial year: 1 January - 31 December 2022

Approved at the annual general meeting of shareholders on 21 June 2023

Casper Hallas
chairman

Contents

Company Information	1
Management's Review	2
Managements' Statement on the Annual Report	3
Practitioner's Compilation Report	4
Accounting Policies	5
Income Statement	9
Balance Sheet	10
Equity Statement	12
Notes to the annual report	13

Company Information

The Company	CMC development ApS Rådhusvej 13, st. 2920 Charlottenlund Municipality of domicile: Gentofte
Executive Board	Casper Hallas Mathias Marstal Hoffmann
Date of foundation	20 May 2015
Financial Year	1 January – 31 December

Management's Review

The Company's business review and principal activities

The Company's principal activities have been to manage trade and industry within information technology.

Significant changes in the company's activities and financial affairs

There has been no significant changes in the activities and financial position during the financial year.

The company's equity is lost. It's a Fintech company in rapid development, and it requires large amount of capital to grow, which is a significant factor. The company's opportunities to continue operations depend on financial support from the parent company CMC Finans ApS. As a result, CMC Finans ApS has declared that it will resign with receivables of DKK 17,543.489 and has stated that they will provide financial support until the company's share capital amounts to DKK 50,000.

Management's Statement on the Annual Report

The Executive Board have today discussed and approved the Annual Report 2022 of CMC development ApS.

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

In our opinion, the Annual Report gives a true and fair view of the Company's financial position at 31 December 2022 and the results of the Company's operations for the financial year 1 January - 31 December 2022.

In our opinion, the Management's review includes a fair review of the matters discussed in the Management review.

The Management believes that the conditions for non-audit are fulfilled.

We recommend that the Annual Report will be approved at the annual general meeting.

Charlottenlund, 7 June 2023.

Executive Board

Casper Hallas

Mathias Marstal Hoffmann

Practitioner's Compilation Report

To the Management of CMC development ApS:

We have compiled the accompanying financial statements of CMC development ApS for the financial year 1 January - 31 December 2022 for the financial year ended 31 December 2022 based on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Elsinore, 7 June 2023

Aaen & Co. statsautoriserede revisorer p/s

Kongevejen 3, 3000 Helsingør - CVR nummer 33 24 17 63

Jesper Fenger Smidt

State Authorised Public Accountant

mne31476

Accounting Policies

Basis of accounting

The Annual Report of CMC development ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. Management has chosen to follow certain rules from reporting class C.

The accounting policies applied by the company are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Recognition and measurement

Revenues are recognised in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortisation and impairment losses, are 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

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. If foreign exchange positions 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. The difference between the exchange rate at the balance sheet date and the rate at the time of origin of the receivable or debt is recognised in financial income and expenses in the income statement.

Fixed assets purchased in foreign currencies are measured at the rate of exchange at the date of transaction.

Accounting Policies

Income Statement

Gross profit

With reference to section 32 of the Danish financial statements act, the items "Revenue", "Other external expenses" and "Other operating income" are consolidated into one item designated "Gross profit".

Net sales consist, among other things, of fees for loans delivered. Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (percentage-of-completion method). Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Direct costs include costs in the form of subscriptions directly linked to the business area.

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

Employee expenses

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses concerning debt and transactions in foreign currencies as well as extra payments and repayment under the on-account taxation scheme.

Corporation 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.

The entity is jointly taxed with its parent company. CMC Finans ApS acts as a management company. The tax effect of the joint taxation with the parent company is distributed to both profit-making and loss-making companies in relation to taxable income (full allocation method).

Accounting Policies

Balance Sheet

Intangible assets

Completed development projects and development projects in progress are measured at cost price including accumulated depreciation. Completed development projects are amortized on a straight-line basis over the estimated economic useful life estimated at 8 years. The expected scrap value of completed development projects is 0%.

The cost of development projects includes costs, including salaries that can be directly and indirectly attributed to the development projects.

Property, plant and equipment

Leasehold improvements as well as other fixtures, fittings, tools and equipment are measured at cost price less accumulated depreciation and impairment losses.

The depreciation base is cost price less expected residual value after the end of useful life.

The cost price includes the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready for use.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Leasehold improvements	5 - 10	Years	Residual value	0%
Fixtures, fittings, tools and equipment	3 - 8	Years	Residual value	0%

Expected useful lives of the assets are yearly evaluated.

Profit or loss on sale of tangible fixed assets are calculated as the difference between the sales price less selling costs and the carrying amount at the time of the sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Investments

Deposits, investments are measured at cost.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts because of objective evidence that a receivable or a group of receivables are impaired. Write-downs are made to the lower of the net realisable value and the carrying amount. Investments comprise rent deposits, which is measured at cost.

Deferred income assets

Deferred income assets recognised as assets include costs incurred relating to the subsequent financial year.

Accounting Policies

Cash and cash equivalents

Cash and cash equivalents include bank deposits.

Corporation tax and deferred tax

The company is jointly taxed with its parent company CMC Finans ApS. Current tax liabilities and current tax receivable are calculated tax on the taxable income for the year adjusted for tax on previous years' taxable income as well as for taxes paid on account. Corporate income tax is recognized in the balance sheet under "Corporate income tax" or "Corporate income tax receivable".

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, of concerning shares, where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured based on the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be either realised, by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallised as current tax.

Debt

Other liabilities are measured at net realisable value.

Balance 31 December

Assets

Note	2022	2021	
4	Completed development projects	10.070.814	7.182.229
	Intangible assets	10.070.814	7.182.229
5	Leasehold improvements	19.834	43.983
6	Fixtures, fittings, tools and equipment	2.070	7.033
	Property, plant and equipment	21.904	51.016
	Deposits, investments	72.251	78.180
	Long term Investments and receivables	72.251	78.180
	Non-current assets	10.164.969	7.311.425
	Trade receivables	0	6.250
	Other receivables	131.760	112.688
	Deferred income assets	71.295	73.562
	Short-term tax receivables	389.686	506.616
	Receivables	592.741	699.116
	Cash and cash equivalents	35.362	6.236
	Current assets	628.103	705.352
	Total assets	10.793.072	8.016.777

Balance 31 December

Liabilities

Note	2022	2021
Share capital	50.000	50.000
Reserve for development expenditure	7.855.234	5.602.138
Retained earnings	-16.190.260	-10.870.693
Equity	-8.285.026	-5.218.555
Trade payables	529.011	650.569
Payables to group enterprises	18.383.541	9.805.211
Other payables	165.546	2.779.552
Short-term debt	19.078.098	13.235.332
Total debt	19.078.098	13.235.332
Total liabilities and equity	10.793.072	8.016.777
7 Disclosure of liabilities under off-balance sheet leases		
8 Contingent liabilities		
9 Disclosure of uncertainties relating to going concern		

Equity Statement

	Share capital	Reserve for development expenditure	Retained earnings	Equity Total
Equity 1 January 2021	50.000	3.813.336	-7.632.707	-3.769.371
Dividends paid	0	0	0	0
Profit of the year	0	1.788.802	-3.237.986	-1.449.184
Equity 31 December 2021	50.000	5.602.138	-10.870.693	-5.218.555
Equity 1 January 2022	50.000	5.602.138	-10.870.693	-5.218.555
Dividends paid	0	0	0	0
Profit of the year	0	2.253.096	-5.319.567	-3.066.471
Equity 31 December 2022	50.000	7.855.234	-16.190.260	-8.285.026

Notes to the annual accounts

	2022	2021
	<u> </u>	<u> </u>
1 Employee expenses		
Wages/salaries	2.446.053	1.695.066
Pensions	100.702	65.407
Other social security costs	11.083	11.556
Employee expense total	<u>2.557.838</u>	<u>1.772.029</u>
Average number of employees	<u>4</u>	<u>2</u>
2 Financial expences		
Interest expences, group entities	150.323	86.011
Other financial expenses	21.751	82.317
	<u>172.074</u>	<u>168.328</u>
3 Tax expense on ordinary activities		
Tax on the taxable income of the year	-389.686	-506.616
Increase/decrease in provision for deferred tax	0	0
	<u>-389.686</u>	<u>-506.616</u>

Notes to the annual accounts

	2022	2021
4 Completed development projects, intangible		
Cost at 1 January	9.032.508	5.873.861
Additions in the year	4.256.279	3.158.647
Desposals in the year	0	0
Cost at 31 December	<u>13.288.787</u>	<u>9.032.508</u>
Impairment losses and depreciation at 1 January	1.850.279	984.968
Amortisation/depreciation in the year	1.367.694	865.311
Reversal of amortisation and impariment of disposals	0	0
Impairment losses and depreciation at 31 December	<u>3.217.973</u>	<u>1.850.279</u>
Carrying amout at 31 December	<u>10.070.814</u>	<u>7.182.229</u>
5 Leasehold improvements etc.		
Cost at 1 January	120.744	120.744
Additions in the year	0	0
Desposals in the year	0	0
Cost at 31 December	<u>120.744</u>	<u>120.744</u>
Impairment losses and depreciation at 1 January	76.761	52.612
Amortisation/depreciation in the year	24.149	24.149
Reversal of amortisation and impariment of disposals	0	0
Impairment losses and depreciation at 31 December	<u>100.910</u>	<u>76.761</u>
Carrying amout at 31 December	<u>19.834</u>	<u>43.983</u>

Notes to the annual accounts

	2022	2021
	<u> </u>	<u> </u>
6 Fixtures, fittings, tools and equipment		
Cost at 1 January	33.303	33.303
Additions in the year	0	0
Desposals in the year	0	0
Cost at 31 December	<u>33.303</u>	<u>33.303</u>
Impairment losses and depreciation at 1 January	26.270	16.529
Amortisation/depreciation in the year	4.963	9.741
Reversal of amortisation and impariment of disposals	0	0
Impairment losses and depreciation at 31 December	<u>31.233</u>	<u>26.270</u>
Carrying amout at 31 December	<u>2.070</u>	<u>7.033</u>

7 Disclosure of liabilities under off-balance sheet leases

The company has taken on a lease obligation concerning the lease of premises which can be terminated with three months' notice equivalent to DKK 70,750.

8 Contingent liabilities

The company is jointly taxed with the parent company CMC Finans ApS as a management company and with other Danish affiliated companies. The company is jointly and severally liable with other jointly taxed companies in the Group for the payment of withholding tax and corporation tax.

9 Disclosure of uncertainties relating to going concern

The company's equity is lost. The company's opportunities to continue operations depend on financial support from the parent company CMC Finans ApS. As a result, CMC Finans ApS has declared that it will resign with receivables of DKK 17,543,489 and has stated that they will provide financial support until the company's share capital amounts to DKK 50,000.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Casper Hallas

Navnet returneret af dansk MitID var:

Casper Hallas

Direktør

ID: 77ec15c9-929a-4e99-9099-d5d32005a439

Tidspunkt for underskrift: 26-06-2023 kl.: 08:23:11

Underskrevet med MitID



Casper Hallas

Navnet returneret af dansk MitID var:

Casper Hallas

Dirigent

ID: 77ec15c9-929a-4e99-9099-d5d32005a439

Tidspunkt for underskrift: 26-06-2023 kl.: 08:23:11

Underskrevet med MitID



Mathias Marstal Hoffmann

Navnet returneret af dansk MitID var:

Mathias Marstal Hoffmann

Direktør

ID: b55b6fc9-7526-47ec-966c-dbf0a301ccad

Tidspunkt for underskrift: 26-06-2023 kl.: 16:11:20

Underskrevet med MitID



Jesper Fenger Smidt

Navnet returneret af dansk NemID var:

Jesper Smidt

Revisor

ID: 1287500629677

Tidspunkt for underskrift: 26-06-2023 kl.: 17:35:09

Underskrevet med NemID

NEM ID

This document has esignatur Agreement-ID: 1b32fftsYx1250281326

This document is signed with esignatur. Embedded in the document is the original agreement document and a signed data object for each signatory. The signed data object contains a mathematical hash value calculated from the original agreement document, which secures that the signatures is related to precisely this document only. Prove for the originality and validity of signatures can always be lifted as legal evidence.

The document is locked for changes and all cryptographic signature certificates are embedded in this PDF. The signatures therefore comply with all public recommendations and laws for digital signatures. With esignatur's solution, it is ensured that all European laws are respected in relation to sensitive information and valid digital signatures. If you would like more information about digital documents signed with esignatur, please visit our website at www.esignatur.dk.