

CMC development ApS

Home address: Charlottenlund Stationsplads 2, 2920 Charlottenlund

CVR-number 36 90 19 69

Annual Report 2021

Financial year: 1 January - 31 December 2021

Approved at the annual general meeting of shareholders on 16 May 2022

Casper Hallas
chairman

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Company Information

The Company	CMC development ApS Charlottenlund Stationsplads 2 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. 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 8,964,813 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 2021 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 2021 and the results of the Company's operations for the financial year 1 January - 31 December 2021.

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, 16 May 2022.

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 2021 for the financial year ended 31 December 2021 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 FSR – danske revisorer's Code of Ethics, 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, 16 May 2022
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 2021 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. The items is net of refunds made by public authorities.

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.

Income Statement 1 January - 31 December

Note	2021	2020
Gross profit	883.758	344.393
1 Employee expense	1.772.029	1.042.991
Depreciations	899.201	577.001
Profit (loss) from ordinary operating activities	-1.787.472	-1.275.599
2 Financial expenses	168.328	121.054
Profit before tax	-1.955.800	-1.396.653
3 Tax expense on ordinary activities	-506.616	-307.472
Profit for the year	-1.449.184	-1.089.181
Proposed distribution of results:		
Other statutory reserves	1.788.802	1.020.176
Retained earnings	-3.237.986	-2.109.357
Profit for the year distributed	-1.449.184	-1.089.181

Balance 31 December

Assets

Note	2021	2020	
4	Completed development projects	7.182.229	4.888.893
	Intangible assets	7.182.229	4.888.893
5	Leasehold improvements	43.983	68.132
6	Fixtures, fittings, tools and equipment	7.033	16.774
	Property, plant and equipment	51.016	84.906
	Deposits, investments	78.180	22.995
	Investments	78.180	22.995
	Non-current assets	7.311.425	4.996.794
	Trade receivables	6.250	7.500
	Other receivables	112.688	52.183
	Deferred income assets	73.562	95.184
	Short-term tax receivables	506.616	307.472
	Receivables	699.116	462.339
	Cash and cash equivalents	6.236	142.287
	Current assets	705.352	604.626
	Total assets	8.016.777	5.601.420

Balance 31 December

Liabilities

Note	2021	2020
Share capital	50.000	50.000
Reserve for development expenditure	5.602.138	3.813.336
Retained earnings	-10.870.693	-7.632.707
Equity	-5.218.555	-3.769.371
Trade payables	650.569	534.748
Payables to group enterprises	9.805.211	7.604.541
Other payables	2.779.552	1.231.502
Short-term debt	13.235.332	9.370.791
Total debt	13.235.332	9.370.791
Total liabilities and equity	8.016.777	5.601.420
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
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity 1 January 2020	50.000	2.793.160	-5.523.350	-2.680.190
Dividends paid	0	0	0	0
Profit of the year	0	1.020.176	-2.109.357	-1.089.181
Equity 31 December 2020	<u>50.000</u>	<u>3.813.336</u>	<u>-7.632.707</u>	<u>-3.769.371</u>
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	<u>50.000</u>	<u>5.602.138</u>	<u>-10.870.693</u>	<u>-5.218.555</u>

Notes to the annual accounts

	2021	2020
	<u> </u>	<u> </u>
1 Employee expenses		
Wages/salaries	1.695.066	969.636
Pensions	65.407	67.384
Other social security costs	11.556	5.971
Employee expense total	<u>1.772.029</u>	<u>1.042.991</u>
Average number of employees	<u>2</u>	<u>2</u>
2 Financial expences		
Interest expences, group entities	86.011	65.724
Other financial expenses	82.317	55.330
	<u>168.328</u>	<u>121.054</u>
3 Tax expense on ordinary activities		
Tax on the taxable income of the year	-506.616	-307.472
Increase/decrease in provision for deferred tax	0	0
	<u>-506.616</u>	<u>-307.472</u>

Notes to the annual accounts

	2021	2020
	<u> </u>	<u> </u>
6 Fixtures, fittings, tools and equipment		
Cost at 1 January	33.303	18.413
Additions in the year	0	14.890
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	16.529	7.497
Amortisation/depreciation in the year	9.741	9.032
Reversal of amortisation and impariment of disposals	0	0
Impairment losses and depreciation at 31 December	<u>26.270</u>	<u>16.529</u>
Carrying amout at 31 December	<u>7.033</u>	<u>16.774</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 39,875.

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 8,964,813 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

Som Direktør
PID: 9208-2002-2-383127873435 NEM ID
Tidspunkt for underskrift: 17-05-2022 kl.: 13:44:06
Underskrevet med NemID

Casper Hallas

Som Dirigent
PID: 9208-2002-2-383127873435 NEM ID
Tidspunkt for underskrift: 17-05-2022 kl.: 13:44:06
Underskrevet med NemID

Mathias Marstal Hoffmann

Som Direktør
PID: 9208-2002-2-112631913314 NEM ID
Tidspunkt for underskrift: 17-05-2022 kl.: 14:12:05
Underskrevet med NemID

Jesper Smidt

Som Revisor
RID: 1287500629677 NEM ID
Tidspunkt for underskrift: 17-05-2022 kl.: 17:17:29
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