



Leneo A/S

Højbro Plads 10
1200 København K
CVR No. 37648035

Annual report 2022

The Annual General Meeting adopted the
annual report on 15.05.2023

Peter Stuhr

Chairman of the General Meeting

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Entity details

Entity

Leneo A/S

Højbro Plads 10

1200 København K

Business Registration No.: 37648035

Registered office: København

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Thorleif Krarup, Chairman

Peter Stuhr

Nicolai Bodd

Andreas Fredriksson

Anders Fredrik Ljungblad

Christer Olander

Executive Board

Peter Stuhr

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Leneo A/S for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

København, 15.05.2023

Executive Board

Peter Stuhr

Board of Directors

Thorleif Krarup
Chairman

Peter Stuhr

Nicolai Bodd

Andreas Fredriksson

Anders Fredrik Ljungblad

Christer Olander

Independent auditor's report

To the shareholders of Leneo A/S

Opinion

We have audited the financial statements of Leneo A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

København, 15.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant

Identification No (MNE) mne35428

Management commentary

Primary activities

The purpose of Leneo is to develop the platforms of the future for use in access economy and any related businesses. Consumers desire less ownership of their assets and instead, future consumers desire more flexible access to different types of equipment and hardware. The customers of Leneo include banks, equipment resellers, and asset manufacturers.

Development in activities and finances

The result for the fiscal year amount to a profit of 1,661 thousand DKK, compared to a profit of 134 thousand DKK in 2021. The company's equity as of December 31, 2022 is 31,521 thousand DKK. The management considers the result for the year as expected. Leneo has invested in and will continue to invest in their own platforms in the coming years.

In May 2022, the company decided to enter an agreement with a former collaborator to transfer joint customers on the Leneo platform to the collaborator by the end of Q1 2023. The company's normal delivery revenue is recognized continuously as deliveries are made up until March 31st, 2023, while the one-time amount received from the transfer of customers is recorded as an accounting gain in the 2022 fiscal year. Therefore, the 2022 financial result is positively affected by the sale of these customer rights.

Events after the balance sheet date

As mentioned above, as of March 31, 2023, the company no longer has any delivery obligations to customers transferred to the former collaborator. Additionally, no events have occurred after the balance sheet date that would have an impact on the company's financial position.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		12,017,677	8,340,174
Staff costs	1	(5,777,400)	(4,484,346)
Depreciation, amortisation and impairment losses	2	(4,090,671)	(3,480,828)
Operating profit/loss		2,149,606	375,000
Other financial income		5,020	3,183
Other financial expenses		(416,409)	(715,707)
Profit/loss before tax		1,738,217	(337,524)
Tax on profit/loss for the year	3	(77,028)	471,584
Profit/loss for the year		1,661,189	134,060
Proposed distribution of profit and loss			
Retained earnings		1,661,189	134,060
Proposed distribution of profit and loss		1,661,189	134,060

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	5	11,031,436	15,117,438
Development projects in progress	5	4,778,379	0
Intangible assets	4	15,809,815	15,117,438
Other fixtures and fittings, tools and equipment		14,008	18,676
Property, plant and equipment	6	14,008	18,676
Investments in group enterprises		6,148,643	0
Deposits		37,590	37,590
Financial assets	7	6,186,233	37,590
Fixed assets		22,010,056	15,173,704
Trade receivables		2,979,125	568,245
Receivables from group enterprises		131,886	0
Other receivables		2,860	9,237
Income tax receivable		0	1,052,251
Prepayments		128,919	18,106
Receivables		3,242,790	1,647,839
Cash		13,196,536	317,938
Current assets		16,439,326	1,965,777
Assets		38,449,382	17,139,481

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		1,191,650	737,490
Reserve for development expenditure		12,331,676	11,791,622
Retained earnings		17,997,312	(9,623,368)
Equity		31,520,638	2,905,744
Deferred tax		1,364,404	1,287,376
Provisions		1,364,404	1,287,376
Debt to other credit institutions		1,916,658	4,966,741
Other payables		495,256	927,560
Non-current liabilities other than provisions	8	2,411,914	5,894,301
Current portion of non-current liabilities other than provisions	8	326,526	509,576
Convertible and dividend-yielding debt instruments		0	2,762,000
Trade payables		433,932	1,112,457
Payables to owners and management		0	538,250
Other payables		725,083	2,129,777
Deferred income		1,666,885	0
Current liabilities other than provisions		3,152,426	7,052,060
Liabilities other than provisions		5,564,340	12,946,361
Equity and liabilities		38,449,382	17,139,481
Unrecognised rental and lease commitments	9		
Assets charged and collateral	10		

Statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	737,490	0	11,791,622	(9,623,368)	2,905,744
Increase of capital	388,705	24,111,293	0	0	24,499,998
Capital increase by debt conversion	65,455	3,234,795	0	0	3,300,250
Costs related to equity transactions	0	0	0	(846,543)	(846,543)
Transfer to reserves	0	(27,346,088)	540,054	26,806,034	0
Profit/loss for the year	0	0	0	1,661,189	1,661,189
Equity end of year	1,191,650	0	12,331,676	17,997,312	31,520,638

Notes

1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	4,892,833	3,849,156
Pension costs	624,429	581,084
Other social security costs	56,019	52,224
Other staff costs	204,119	1,882
	5,777,400	4,484,346
Average number of full-time employees	6	4

2 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Amortisation of intangible assets	4,086,002	3,474,602
Depreciation of property, plant and equipment	4,669	6,226
	4,090,671	3,480,828

3 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	0	(1,052,251)
Change in deferred tax	77,028	580,667
	77,028	(471,584)

4 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	21,464,409	0
Additions	0	4,778,379
Cost end of year	21,464,409	4,778,379
Amortisation and impairment losses beginning of year	(6,346,971)	0
Amortisation for the year	(4,086,002)	0
Amortisation and impairment losses end of year	(10,432,973)	0
Carrying amount end of year	11,031,436	4,778,379

5 Development projects

Development projects relate to the development of IT systems for processing leasing contracts. Costs for ongoing development projects are included at cost. The value of ongoing development projects is expected to be at least equal to the book value, based on expectations of future earnings resulting from the development project. There is uncertainty associated with these expectations, as the value of the development project depends on continued customer growth in the company.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	33,203
Cost end of year	33,203
Depreciation and impairment losses beginning of year	(14,526)
Depreciation for the year	(4,669)
Depreciation and impairment losses end of year	(19,195)
Carrying amount end of year	14,008

7 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	0	37,590
Additions	6,148,643	0
Cost end of year	6,148,643	37,590
Carrying amount end of year	6,148,643	37,590

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Leneo AB	Sweden	AB	100.00

8 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due within 12 months 2021 DKK	Due after more than 12 months 2022 DKK
Debt to other credit institutions	326,526	509,576	1,916,658
Other payables	0	0	495,256
	326,526	509,576	2,411,914

9 Unrecognised rental and lease commitments

	2022	2021
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	171,432	222,448

10 Assets charged and collateral

As security for the debt to Vækstfonden (principal amount of 4,000 thousand DKK), the company has provided collateral on the following assets with their corresponding accounting values as of December 31, 2022:

- Other fixtures and fittings, tools and equipment: 14 t.dkk
- Trade receivables - 1,312 t.dkk

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year. Reclassification of individual items in the income statement has been made with no effect on the income statement and equity.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale licenses are recognised in the income statement when the risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relates to depreciation of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income from bank deposits

Other financial expenses

Other financial expenses comprise interest expenses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3-5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	4 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.