

CMC Finans ApS

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CVR-number 37 70 11 49

Annual Report 2023

Financial year: 1 January - 31 December 2023

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Approved at the annual general meeting of shareholders on 26 June 2024

Charlotte Møller
chairman

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Company information

The Company	CMC Finans ApS Rådhusvej 13 2920 Charlottenlund Municipality of reg. office: Gentofte
Secondary name of reporting entity	Denti ApS Denti.dk ApS Sundhed+ ApS Sundhedplus ApS Sundhedplus.dk ApS
Board of Directors	Lasse Christensen, president Rene Hedegaard Petersen Stefan Agergård Hansen Claus Jørgensen
Executive Board	Casper Hallas
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Date of foundation	27 April 2016
Financial Year	1 January – 31 December

Management's review

The Company's business review and principal activities

CMC Finans ApS is a fintech company combining finance with excellent user experience to provide the best customer journey. The company is connecting patients and healthcare professionals through two brands: Denti and Sundhed+. Today the two brands have merged into a single brand Sundhed+ (www.sundhedplus.dk).

The main activities are finance of healthcare treatments performed by healthcare professionals registered in the Health Service's Organizational Register 'SOR'. The settlement of invoices is done directly to the healthcare provider. As such, the company does not pay out cash to any borrower.

Company structure

CMC Finans ApS is the parent company of two 100% owned and controlled subsidiaries.

CMC Development ApS; A company which develops and maintains the necessary IT solutions for CMC Finans ApS, to carry out the activities.

CMC Kredit ApS; The purpose for this company is to act as SPV (Special Purpose Vehicle) as a bankruptcy remote entity to separate funding of the loan book from the operations of the company.

Development in activities and financial position

During 2023 the company increased the capital base with 2,571,014 DKK.

Result

Loss for the year amounts to DKK -9,031,907 (2022: DKK -3,653,302) and equity amounts to DKK 2,228,654 as of 31 December 2023 (2022: DKK 8,689,547). The management considers the result as largely in line with expectations.

Customers

In the past year, the company has increased its lending by 18%.

Investments and outlook

The company has developed a platform for payments services and lead generation. In the reporting period investments were mainly in the new brand Sundhed+. Investments totaled DKK 4,325,328 for the year.

It was decided to expense the investment costs in 2023 instead of activating them due to the nature of development projects for 2023. This has resulted in an extraordinary higher loss for 2023 compared to prior years

The platform is scalable for all types of healthcare treatments, and potentially also other sectors. The company expects to continue investments to take advantage of possible scalabilities. Also, geographical expansion outside Denmark is possible.

Further capital can come from capital increases and operations. The company expects to continue to increase the activities through sundhedplus.dk.

Management's Statement on the Annual Report

The Board of Directors and The Executive Board have today discussed and approved the Annual Report 2023 of CMC Finans 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 2023 and the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

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

Charlottenlund, 26 June 2024.

Executive Board

Casper Hallas

Board of Directors

Lasse Christensen, president

Rene Hedegaard Petersen

Stefan Agergård Hansen

Claus Jørgensen

Independent auditors' report

To the shareholders of CMC Finans ApS:

Opinion

We have audited the Financial Statements of CMC Finans ApS for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Company. 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 Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 matters relating to the annual report

Material uncertainty related to going concern

Without modifying our opinion, we shall draw the attention to material uncertainty which can lead to considerable doubt regarding the going concern assumption. We refer to note 1 of the annual report which states that it is essential that the funding-partners of the company are willing to postpone payments on the short-term loans. The opinion of management is that the funding partners support this. Accordingly, the annual report is based upon the assumption that the company is indeed a going concern.

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 of accounting information 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:

Independent auditors' report

- 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.

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, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Elsinore, 26 June 2024

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 Finans ApS for 2023 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.

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Reporting currency

The financial statements are presented in Danish kroner.

Recognition and measurement

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

Assets are recognized 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 recognized 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 amortized cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortized cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortization 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 consider 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.

Income Statement

Gross profit

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

Accounting Policies

Gross profit, continued

Net sales include interest and fees on dental loans. Income from the rendering of services is recognized 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 recognized in revenue.

Direct expenses include costs in the form of referral commissions that have been used to achieve revenue for the year.

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

Other operating income

Other operating income include financial statement items of a secondary nature in relation to the primary activity of the enterprise, including profit from sale of fixed assets and salary refunds.

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 recognized in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realized and unrealized 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 recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their 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.

Investments in group entities

In the income statement, the proportionate share of the individual affiliates' profit after tax and full elimination of internal profit / loss and deduction of amortization of goodwill are recognized.

Investments in group entities are recognized in the balance sheet at the proportionate share of the companies' net asset value calculated in accordance with the parent company's applied accounting policies, with the deduction or addition of unrealized intra-group profits and losses with the addition or deduction of the residual value of positive or negative goodwill calculated by the acquisition method.

Group companies with a negative net asset value are recognized at zero and any receivable from these companies is written down by the parent company's share of the negative net asset value, to the extent that it is deemed unsustainable. If the carrying amount of the carrying amount exceeds receivables, the remaining amount is recognized under provisions to the extent that the parent undertaking has a legal or actual obligation to cover the subsidiary's underbalance.

Net revaluation of investments in group companies is transferred under equity to the reserve for net revaluation using the equity method to the extent that the carrying amount exceeds the acquisition value less goodwill amortization.

Receivables

Receivables are measured at amortized 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 realizable value and the carrying amount. Investments comprise rent deposits, which is measured at cost.

Deferred income assets

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

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits.

Accounting Policies

Corporation tax and deferred tax

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 realized, 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 realizable 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 be crystallized as current tax.

Debt

Other liabilities are measured at net realisable value.

Income statement 1 January - 31 December

Note	2023	2022
	DKK	DKK
Gross profit	-3,232,182	-3,684,715
2 Employee expense	2,951,235	2,041,329
Depreciations	23,500	23,500
Profit (loss) from ordinary operating activities	-6,206,917	-5,749,544
5 Income from investments in group enterprises	-9,150,412	-2,982,095
3 Financial income	11,437,594	8,183,977
Financial expenses	5,112,172	3,137,408
Profit before tax	-9,031,907	-3,685,070
4 Tax expense on ordinary activities	0	-31,768
Profit for the year	-9,031,907	-3,653,302
Proposed distribution of results:		
Other statutory reserves	-18,330	-18,330
Retained earnings	-9,013,577	-3,634,972
Profit for the year distributed	-9,031,907	-3,653,302

Balance sheet 31 December

Assets

Note	2023	2022
	DKK	DKK
Completed development projects	65,680	89,180
Intangible assets	65,680	89,180
5 Investments in group entities	24,325,047	23,929,690
Long term Investments and receivables	24,325,047	23,929,690
Non-current assets	24,390,727	24,018,870
Receivables from group enterprises	61,656,713	54,198,772
Other receivables	0	200
Deferred income assets	83,883	28,864
Short-term tax receivables	0	31,768
Receivables	61,740,596	54,259,604
Cash and cash equivalents	174,941	64,112
Current assets	61,915,537	54,323,716
Total assets	86,306,264	78,342,586

Balance sheet 31 December

Equity and liabilities

Note	2023	2022
	DKK	DKK
Share capital	212,501	202,636
Reserve for development expenditure	51,230	69,560
Retained earnings	1,964,923	8,417,351
Equity	2,228,654	8,689,547
Holiday allowance liabilities, long-term	91,162	88,182
Long-term debt	91,162	88,182
Trade payables	93,017	160,217
6 Other payables	83,893,431	69,404,640
Short-term debt	83,986,448	69,564,857
Total debt	84,077,610	69,653,039
Total liabilities and equity	86,306,264	78,342,586
1 Going Concern		
7 Contingent liabilities		
8 Collaterals		

Equity statement

All amounts in DKK

	Share capital	Reserve for development expenditure	Retained earnings	Equity Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity 1 January 2022	159,659	87,890	895,300	1,142,849
Capital increase	42,977	0	11,157,023	11,200,000
Profit of the year	0	-18,330	-3,634,972	-3,653,302
Equity 31 December 2022	<u>202,636</u>	<u>69,560</u>	<u>8,417,351</u>	<u>8,689,547</u>
Equity 1 January 2023	202,636	69,560	8,417,351	8,689,547
Capital increase	9,865	0	2,561,149	2,571,014
Profit of the year	0	-18,330	-9,013,577	-9,031,907
Equity 31 December 2023	<u>212,501</u>	<u>51,230</u>	<u>1,964,923</u>	<u>2,228,654</u>

Notes to the annual accounts

1 Going Concern

To ensure the company as a going concern in the coming year it is essential that the funding-partners of the company are willing to postpone payments on the short-term loans.

	2023	2022
	DKK	DKK
2 Employee expenses		
Wages/salaries	2,839,975	1,958,251
Pensions	76,919	64,407
Other social security costs	34,341	18,671
Employee expense total	2,951,235	2,041,329
Average number of employees	7	5
3 Financial income		
Interest income, group entities	11,437,594	8,183,977
	11,437,594	8,183,977
4 Tax expense on ordinary activities		
Tax on the taxable income of the year	0	-31,768
	0	-31,768

Notes to the annual accounts

	2023	2022
	DKK	DKK
5 Investments in group entities		
Cost at 1 January	24,208,118	24,208,118
Additions in the year	0	0
Desposals in the year	0	0
Cost at 31 December	<u>24,208,118</u>	<u>24,208,118</u>
Value adjustments at 1 January	-278,428	-362,804
Share of profit for the year	-9,150,412	-2,982,095
Loss limited to investment	9,545,769	3,066,471
Value adjustments at 31 December	<u>116,929</u>	<u>-278,428</u>
Carrying amount at 31 December	<u>24,325,047</u>	<u>23,929,690</u>
Impairment of receivable	-9,545,769	-3,066,471
	<u>-9,545,769</u>	<u>-3,066,471</u>

6 Other payables

Other payables consist of debt to funding partners, which is total of DKK 83,643,558 out of the amount of other payables DKK 83,893,431.

7 Contingent liabilities

The company acts as a management company for jointly taxed 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.

8 Collaterals

Funding partners who have paid funding to finance the underlying loan book have prorata security in the shares of CMC Kredit ApS.

Casper Hallas

Navnet returneret af dansk MitID var:
Casper Hallas
Direktør
ID: 77ec15c9-929a-4e99-9099-d5d32005a439
Tidspunkt for underskrift: 27-06-2024 kl.: 12:02:01
Underskrevet med MitID



Lasse Christensen

Navnet returneret af dansk MitID var:
Lasse Christensen
Bestyrelsesformand
ID: 25ff8f32-0492-4796-ac33-240b73ff6aa1
Tidspunkt for underskrift: 30-06-2024 kl.: 17:46:23
Underskrevet med MitID



Rene Hedegaard Petersen

Navnet returneret af dansk MitID var:
Rene Hedegaard Petersen
Bestyrelsesmedlem
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Tidspunkt for underskrift: 28-06-2024 kl.: 16:04:35
Underskrevet med MitID



Stefan Agergård Hansen

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Stefan Agergård Hansen
Bestyrelsesmedlem
ID: 43fcc519-54d3-48fa-a2f2-612415f93ea4
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Underskrevet med MitID



Claus Jørgensen

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Claus Jørgensen
Bestyrelsesmedlem
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Underskrevet med MitID



Jesper Fenger Smidt

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Jesper Fenger Smidt
Revisor
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Tidspunkt for underskrift: 30-06-2024 kl.: 17:56:27
Underskrevet med MitID

