



Deon Digital Denmark A/S

**Overgaden Oven Vandet 10, 1.
1415 København K**

CVR no. 38 79 05 36

Annual report for 2022

(5th Financial year)

Adopted at the annual general
meeting on 24 July 2023

Florian Herzog
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Deon Digital Denmark A/S 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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 23 July 2023

Executive board

Dirk Sebald
Director

Board of Directors

Florian Herzog
Chairman

Friedrich Jakob Georg Henglein Dirk Sebald

Independent auditor's report on extended review

To the shareholder of Deon Digital Denmark A/S

Opinion

We have performed extended review of the financial statements of Deon Digital Denmark A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position 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.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

As we believe that there is sufficient information in the accounts regarding uncertainty regarding continued operations, we must draw attention to note 1 in the annual accounts, which clearly provides information on the conditions that may raise significant doubt about the company's ability to continue operations.

We believe that the use of the assumption of continued operations is appropriate, but there is a significant uncertainty.

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.

Independent auditor's report on extended review

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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

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 extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement of management's review.

Independent auditor's report on extended review

Copenhagen, 23 July 2023

Harboe & B.
Godkendt Revisionsanpartsselskab
CVR no. 33 64 94 52

Mads Harboe Vainisto Nørring
Registreret revisor
MNE no. mne40120

Company details

The company

Deon Digital Denmark A/S
Overgaden Oven Vandet 10, 1.
1415 København K

CVR no.: 38 79 05 36

Reporting period: 1 January - 31 December 2022

Domicile: Copenhagen

Board of Directors

Florian Herzog, chairman
Friedrich Jakob Georg Henglein
Dirk Sebald

Executive board

Dirk Sebald, director

Auditors

Harboe & B.
Godkendt Revisionsanpartsselskab
Prøvestensbroen 3
2300 København S

Management's review

Business review

The company's purpose is to develop software and in relation thereto all kinds of consulting services. The company can engage in all types of investments, including the purchase of shares of other companies, as well as other related activities, at the discretion of management.

Accounting policies

The annual report of Deon Digital Denmark A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

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

The annual report for 2022 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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 item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	4 years	0 %
Leasehold improvements	4 years	0 %

Assets costing less than DKK 31.000 are expensed in the year of acquisition.

Financial assets

Fixed asset investments

Fixed asset investments, which consist of rent deposits, are measured at amortised cost.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

The compensated absence commitment which the company's employees earn during the transitional period from 1 September 2019 to 31 August 2020, is administered by the company and is paid in to the Danish Holiday Fund before the employee reaches the pensionable age. Other debt is measured at amortised cost, which usually corresponds to the nominal value.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Gross profit		10.863.580	7.805.328
Staff costs	2	<u>-11.178.385</u>	<u>-11.360.726</u>
Profit/loss before amortisation/depreciation and impairment losses		-314.805	-3.555.398
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-72.528</u>	<u>-72.528</u>
Profit/loss before net financials		-387.333	-3.627.926
Financial costs		<u>-537.803</u>	<u>-586.141</u>
Profit/loss before tax		-925.136	-4.214.067
Tax on profit/loss for the year		<u>0</u>	<u>246.501</u>
Profit/loss for the year		<u>-925.136</u>	<u>-3.967.566</u>
Retained earnings		<u>-925.136</u>	<u>-3.967.566</u>
		<u>-925.136</u>	<u>-3.967.566</u>

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Assets			
Other fixtures and fittings, tools and equipment		67.852	107.080
Leasehold improvements		56.921	90.221
Tangible assets		<u>124.773</u>	<u>197.301</u>
Deposits		176.220	176.220
Fixed asset investments		<u>176.220</u>	<u>176.220</u>
Total non-current assets		<u>300.993</u>	<u>373.521</u>
Trade receivables		2.600	0
Other receivables		779.534	754.918
Corporation tax		0	246.501
Receivables		<u>782.134</u>	<u>1.001.419</u>
Cash at bank and in hand		<u>214.356</u>	<u>696.028</u>
Total current assets		<u>996.490</u>	<u>1.697.447</u>
Total assets		<u><u>1.297.483</u></u>	<u><u>2.070.968</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Equity and liabilities			
Share capital		500.000	500.000
Retained earnings		-23.367.258	-22.442.122
Equity		-22.867.258	-21.942.122
Payables to group enterprises		22.894.780	0
Other payables		916.613	857.751
Total non-current liabilities	3	23.811.393	857.751
Payables to group enterprises		0	22.581.120
Other payables		353.348	574.219
Total current liabilities		353.348	23.155.339
Total liabilities		24.164.741	24.013.090
Total equity and liabilities		1.297.483	2.070.968
Uncertainty about the continued operation (going concern)	1		
Leje- og leasingforpligtelser	4		

Notes

1 Uncertainty about the continued operation (going concern)

Management is aware of equity loss, and rely on the mother company for financial support in the form of future loans from the mother company, the mother company has given a letter of support stating that it will fund the company for a period of not less than 12 months from the date of approval of the annual report 2022. The company's financing (debt to the mother company) is not to be repaid in the coming year and must not be repaid until the company is making a profit. On this basis the annual report is presented accordingly and has been prepared subject to the company's continued operation as a going concern.

	<u>2022</u> DKK	<u>2021</u> DKK
2 Staff costs		
Wages and salaries	9.752.077	11.249.747
Pensions	1.247.345	0
Other social security costs	<u>178.963</u>	<u>110.979</u>
	<u>11.178.385</u>	<u>11.360.726</u>
Average number of employees	<u>16</u>	<u>19</u>

3 Long term debt

	Debt at 1 January 2022	Debt at 31 December 2022	Instalment next year	Debt outstanding after 5 years
Payables to group enterprises	0	22.894.780	0	0
Other payables	<u>857.751</u>	<u>916.613</u>	<u>0</u>	<u>916.613</u>
	<u>857.751</u>	<u>23.811.393</u>	<u>0</u>	<u>916.613</u>

Notes

	<u>2022</u>	<u>2021</u>
	DKK	DKK
4 Leje- og leasingforpligtelser		
Rental and leasing obligations		
Leasingforpligtelser fra operationel leasing.		
Samlede fremtidige leasingydelser:		
Within 1 year	<u>411.644</u>	<u>384.126</u>
	<u>411.644</u>	<u>384.126</u>