

# **Proper ApS**

**Skelbækgade 2, 2. tv**

**1717 København V**

**CVR no. 39 01 68 69**

**Annual report for 2021**

Adopted at the annual general meeting on 7 July 2022

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Steen Bøttzau Haunstrup  
chairman

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## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of Proper ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 7 July 2022

### **Executive board**

Morten Krarup Kristensen  
CEO

Jacob Dyboe Funch  
director

### **Supervisory board**

Steen Bøttzau Haunstrup  
chairman

Alberte Schmidt Koefoed

Sara Maria Liliane Rywe

Ole Markussen

Jacob Dyboe Funch

## **Independent auditor's report**

### ***To the shareholder of Proper ApS***

#### **Opinion**

We have audited the financial statements of Proper ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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' 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 and 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 the 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.

## **Independent auditor's report**

### **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 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.

## **Independent auditor's report**

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

Frederikshavn, 7 July 2022

PJ Revision  
statsautoriseret revisionsanpartsselskab  
CVR no. 33 86 10 44

Per Svenningsen  
Statsautoriseret revisor  
MNE no. mne8936

## **Management's review**

### **Business review**

The company's purpose is the development and sale of a software platform within Property Management.

### **Financial review**

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 6.010.984, and the balance sheet at 31 December 2021 shows equity of DKK 8.654.502.

### ***Financing***

The company have finalized a new investment in the company in the end of Q2 2022, that secures the finance and runway for the company for the coming year, so the company is secured for going concern the coming year.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## **Accounting policies**

The annual report of Proper ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

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

The annual report for 2021 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**

### **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.

### **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, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### **Income from investments in subsidiaries, associates and participating interests**

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the company's income statement after full elimination of intra-group profits/losses.

### **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**

### **Intangible assets**

#### ***Development projects, patents and licences***

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

## **Accounting policies**

### **Investments in subsidiaries, associates and participating interests**

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

### **Receivables**

Receivables are measured at amortised cost.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposits at banks.

### **Income tax and deferred tax**

As management company, Proper ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

### **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.

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>2021</u> DKK	<u>2020</u> DKK
<b>Gross profit</b>		<b>-1.797.935</b>	<b>-915.285</b>
Staff costs	1	<u>-6.120.994</u>	<u>-791.934</u>
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>-7.918.929</b>	<b>-1.707.219</b>
<b>Profit/loss before net financials</b>		<b>-7.918.929</b>	<b>-1.707.219</b>
Income from investments in subsidiaries		-2.539	-292
Financial income		948.661	71.864
Financial costs		<u>-720.779</u>	<u>-49.227</u>
<b>Profit/loss before tax</b>		<b>-7.693.586</b>	<b>-1.684.874</b>
Tax on profit/loss for the year	2	<u>1.682.602</u>	<u>368.159</u>
<b>Profit/loss for the year</b>		<b><u>-6.010.984</u></b>	<b><u>-1.316.715</u></b>
Transferred to reserve for development expenditure		4.346.928	7.004.736
Retained earnings		<u>-10.357.912</u>	<u>-8.321.451</u>
		<b><u>-6.010.984</u></b>	<b><u>-1.316.715</u></b>

## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Assets</b>			
Development projects in progress		<u>15.478.509</u>	<u>9.905.525</u>
<b>Intangible assets</b>	3	<u><b>15.478.509</b></u>	<u><b>9.905.525</b></u>
Investments in subsidiaries	4	<u>34.641</u>	<u>37.180</u>
<b>Fixed asset investments</b>		<u><b>34.641</b></u>	<u><b>37.180</b></u>
<b>Total non-current assets</b>		<u><b>15.513.150</b></u>	<u><b>9.942.705</b></u>
Trade receivables		17.269	0
Receivables from subsidiaries		4.844	2.304
Receivables from associates		969	60.000
Other receivables		0	415.619
Deferred tax asset		149.046	0
Corporation tax		0	1.541.042
Prepayments		<u>118.644</u>	<u>18.714</u>
<b>Receivables</b>		<u><b>290.772</b></u>	<u><b>2.037.679</b></u>
<b>Cash at bank and in hand</b>		<u><b>10.573.302</b></u>	<u><b>21.293.072</b></u>
<b>Total current assets</b>		<u><b>10.864.074</b></u>	<u><b>23.330.751</b></u>
<b>Total assets</b>		<u><u><b>26.377.224</b></u></u>	<u><u><b>33.273.456</b></u></u>

## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Equity and liabilities</b>			
Share capital		68.056	68.056
Reserve for development expenditure		12.073.238	9.905.525
Retained earnings		<u>-3.486.792</u>	<u>4.691.905</u>
<b>Equity</b>		<b><u>8.654.502</u></b>	<b><u>14.665.486</u></b>
Provision for deferred tax		<u>0</u>	<u>1.533.556</u>
<b>Total provisions</b>		<b><u>0</u></b>	<b><u>1.533.556</u></b>
Other credit institutions		13.460.230	12.935.000
Convertible and profit-yielding instruments of debt		<u>1.880.440</u>	<u>1.825.670</u>
<b>Total non-current liabilities</b>		<b><u>15.340.670</u></b>	<b><u>14.760.670</u></b>
Trade payables		304.863	241.545
Payables to shareholders and management		0	189
Other payables		<u>2.077.189</u>	<u>2.072.010</u>
<b>Total current liabilities</b>		<b><u>2.382.052</u></b>	<b><u>2.313.744</u></b>
<b>Total liabilities</b>		<b><u>17.722.722</u></b>	<b><u>17.074.414</u></b>
<b>Total equity and liabilities</b>		<b><u>26.377.224</u></b>	<b><u>33.273.456</u></b>

## Statement of changes in equity

	<u>Share capital</u>	<u>Reserve for development expenditure</u>	<u>Retained ear- nings</u>	<u>Total</u>
Equity at 1 January 2021	68.056	9.905.525	4.691.905	14.665.486
Net effect from adjustment of fundamental error	<u>0</u>	<u>-2.179.215</u>	<u>2.179.215</u>	<u>0</u>
Adjusted equity at 1 January 2021	68.056	7.726.310	6.871.120	14.665.486
Net profit/loss for the year	<u>0</u>	<u>4.346.928</u>	<u>-10.357.912</u>	<u>-6.010.984</u>
<b>Equity at 31 December 2021</b>	<b><u>68.056</u></b>	<b><u>12.073.238</u></b>	<b><u>-3.486.792</u></b>	<b><u>8.654.502</u></b>

## Notes

	<u>2021</u>	<u>2020</u>
	DKK	DKK
<b>1 Staff costs</b>		
Wages and salaries	10.981.609	6.300.630
Pensions	90.000	29.076
Other social security costs	170.943	59.665
Other staff costs	<u>133.466</u>	<u>96.512</u>
	<b>11.376.018</b>	<b>6.485.883</b>
Transfer to production wages	<u>-5.255.024</u>	<u>-5.693.949</u>
	<b><u>6.120.994</u></b>	<b><u>791.934</u></b>
Average number of employees	<u>32</u>	<u>17</u>
<b>2 Tax on profit/loss for the year</b>		
Current tax for the year	0	-368.159
Deferred tax for the year	<u>-1.682.602</u>	<u>0</u>
	<b><u>-1.682.602</u></b>	<b><u>-368.159</u></b>

## Notes

### 3 Intangible assets

	<u>Development projects in progress</u>	
Cost at 1 January 2021		9.905.525
Additions for the year		<u>5.572.984</u>
Cost at 31 December 2021		<u>15.478.509</u>
at 31 December 2021		<u>0</u>
AA Impairment losses and amortisation at 1 January 2021		<u>0</u>
AA Impairment losses and amortisation at 31 December 2021		<u>0</u>
<b>Carrying amount at 31 December 2021</b>		<b><u><u>15.478.509</u></u></b>

### 4 Investments in subsidiaries

Cost at 1 January 2021	<u>40.000</u>	<u>40.000</u>
Cost at 31 December 2021	<u>40.000</u>	<u>40.000</u>
Revaluations at 1 January 2021	-2.820	-2.528
Depreciation of goodwill	<u>-2.539</u>	<u>-292</u>
Revaluations at 31 December 2021	<u>-5.359</u>	<u>-2.820</u>
<b>Carrying amount at 31 December 2021</b>	<b><u><u>34.641</u></u></b>	<b><u><u>37.180</u></u></b>

### 5 Contingent liabilities

The company has provided a rent guarantee of DKK 1,052,000, which covers the deposit in the company's current office building.

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2021 onwards as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment.