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# ***Likvido ApS***

Frederikssundsvej 62, 2., DK-2400 København NV

## **Annual Report for 1 January - 31 December 2020**

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CVR No 39 27 07 65

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
29/4 2021

Maximilian Frimmer  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Likvido ApS for the financial year 1 January - 31 December 2020.

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 financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 29 April 2021

## Executive Board

Maximilian Frimmer  
CEO

Lars Holdgaard  
CTO

## Board of Directors

Lars Holdgaard  
Chairman

Hans Henrik Hoffmeyer

Anders Bach Waagstein

Maximilian Frimmer

Michele Foradori

# Independent Auditor's Report

To the Shareholders of Likvido ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Likvido ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

# Independent Auditor's Report

## 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 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.

## Independent Auditor's Report

- 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.

Hellerup, 29 April 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mads Haugegaard Albrechtsen

statsautoriseret revisor

mne45846

## Company Information

### **The Company**

Likvido ApS  
Frederikssundsvej 62, 2.  
DK-2400 København NV

CVR No: 39 27 07 65  
Financial period: 1 January - 31 December  
Incorporated: 22 January 2018  
Financial year: 3rd financial year  
Municipality of reg. office: København

### **Board of Directors**

Lars Holdgaard, Chairman  
Hans Henrik Hoffmeyer  
Anders Bach Waagstein  
Maximilian Frimmer  
Michele Foradori

### **Executive Board**

Maximilian Frimmer  
Lars Holdgaard

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Management's Review

## Key activities

The company's key activities is credit management services and software solutions for debt collection.

## Development in the year

The income statement of the Company for 2020 shows a loss of DKK 6,906,276, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 13,616,252.

The consequences of Covid-19, in which many governments around the world have decided to "shut down the countries", are having a major impact on the world economy. As the company's sale consists of credit management services and debt collection, the Covid-19 pandemic has not affected and is not expected to have a significant impact on the company.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>3,133,987</b>	<b>783,414</b>
Staff expenses	1	-8,801,859	-3,366,329
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1,137,118	-212,011
<b>Profit/loss before financial income and expenses</b>		<b>-6,804,990</b>	<b>-2,794,926</b>
Financial income	2	4,758	787
Financial expenses		-131,499	-158,715
<b>Profit/loss before tax</b>		<b>-6,931,731</b>	<b>-2,952,854</b>
Tax on profit/loss for the year		1,099,168	382,731
<b>Net profit/loss for the year</b>		<b>-5,832,563</b>	<b>-2,570,123</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-5,832,563	-2,570,123
		<b>-5,832,563</b>	<b>-2,570,123</b>

# Balance Sheet 31 December

## Assets

	Note	2020 DKK	2019 DKK
Completed development projects		5,621,967	1,941,986
Development projects in progress		541,583	671,610
<b>Intangible assets</b>	3	<b>6,163,550</b>	<b>2,613,596</b>
Other fixtures and fittings, tools and equipment		61,435	20,833
Leasehold improvements		75,840	0
<b>Property, plant and equipment</b>	4	<b>137,275</b>	<b>20,833</b>
Deposits		142,315	60,300
<b>Fixed asset investments</b>		<b>142,315</b>	<b>60,300</b>
<b>Fixed assets</b>		<b>6,443,140</b>	<b>2,694,729</b>
Trade receivables		266,521	325,114
Receivables from group enterprises		0	2,846
Other receivables		889,080	388,116
Corporation tax		1,099,168	391,765
Prepayments		6,783	6,083
<b>Receivables</b>		<b>2,261,552</b>	<b>1,113,924</b>
<b>Cash at bank and in hand</b>		<b>13,063,093</b>	<b>2,118,066</b>
<b>Currents assets</b>		<b>15,324,645</b>	<b>3,231,990</b>
<b>Assets</b>		<b>21,767,785</b>	<b>5,926,719</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		103,522	68,643
Share premium account		0	3,945,618
Reserve for development costs		4,807,569	1,549,823
Retained earnings		9,778,874	-4,447,250
<b>Equity</b>		<b>14,689,965</b>	<b>1,116,834</b>
Convertible and profit-yielding instruments of debt		2,448,250	2,931,252
Other payables		0	97,359
<b>Long-term debt</b>	5	<b>2,448,250</b>	<b>3,028,611</b>
Credit institutions		289	5,385
Trade payables		403,968	298,406
Payables to owners and Management		14,271	14,271
Other payables	5	2,625,147	468,746
Deferred income		1,585,895	994,466
<b>Short-term debt</b>		<b>4,629,570</b>	<b>1,781,274</b>
<b>Debt</b>		<b>7,077,820</b>	<b>4,809,885</b>
<b>Liabilities and equity</b>		<b>21,767,785</b>	<b>5,926,719</b>
Contingent assets, liabilities and other financial obligations	6		
Accounting Policies	7		

## Statement of Changes in Equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	68,643	3,945,618	2,038,605	-4,936,032	1,116,834
Cash capital increase	34,879	19,370,815	0	0	19,405,694
Development costs for the year	0	0	2,768,964	-2,768,964	0
Net profit/loss for the year	0	0	0	-5,832,563	-5,832,563
Transfer from share premium account	0	-23,316,433	0	23,316,433	0
<b>Equity at 31 December</b>	<b>103,522</b>	<b>0</b>	<b>4,807,569</b>	<b>9,778,874</b>	<b>14,689,965</b>

# Notes to the Financial Statements

	2020 DKK	2019 DKK
<b>1 Staff expenses</b>		
Wages and salaries	8,453,715	3,308,199
Pensions	239,917	0
Other social security expenses	108,227	58,130
	<b>8,801,859</b>	<b>3,366,329</b>
<b>Average number of employees</b>	<b>18</b>	<b>9</b>
	2020 DKK	2019 DKK
<b>2 Financial income</b>		
Interest received from group enterprises	0	136
Exchange gains	4,758	651
	<b>4,758</b>	<b>787</b>
<b>3 Intangible assets</b>		
	Completed development projects DKK	Development projects in progress DKK
Cost at 1 January	2,235,922	671,610
Additions for the year	4,553,631	442,587
Transfers for the year	572,614	-572,614
Cost at 31 December	7,362,167	541,583
Impairment losses and amortisation at 1 January	293,936	0
Amortisation for the year	1,446,264	0
Impairment losses and amortisation at 31 December	1,740,200	0
<b>Carrying amount at 31 December</b>	<b>5,621,967</b>	<b>541,583</b>

Development projects relate to the development of new versions of the Company's existing software products, which are progressing according to plan. The software products are developed to make the credit management and debt collection process more efficient. It is expected to be used in the present market to the Company's existing costumers and to contribute to gain new markets and costumers

# Notes to the Financial Statements

## 4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	25,000	0
Additions for the year	60,802	92,050
Cost at 31 December	85,802	92,050
Impairment losses and depreciation at 1 January	4,167	0
Depreciation for the year	20,200	16,210
Impairment losses and depreciation at 31 December	24,367	16,210
<b>Carrying amount at 31 December</b>	<b>61,435</b>	<b>75,840</b>

## 5 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2020	2019
	DKK	DKK
<b>Convertible and profit-yielding instruments of debt</b>		
After 5 years	840,558	0
Between 1 and 5 years	1,607,692	2,931,252
Long-term part	2,448,250	2,931,252
Within 1 year	0	0
	<b>2,448,250</b>	<b>2,931,252</b>
<b>Other payables</b>		
Between 1 and 5 years	0	97,359
Long-term part	0	97,359
Other short-term payables	2,625,147	468,746
	<b>2,625,147</b>	<b>566,105</b>

## Notes to the Financial Statements

	2020 DKK	2019 DKK
<b>6 Contingent assets, liabilities and other financial obligations</b>		
<b>Charges and security</b>		
The following assets have been placed as security with mortgage credit institutes:		
Bank account with a booked value of DKK	99,947	99,821
The company has pledged a company charge of TDKK 2,500 as collateral for debt. At 31 December 2020, the company charge comprises the following assets with the following carrying amounts:		
Development projects	6,163,550	0
Property, plant and equipment	137,275	0
Trade receivables	197,164	0
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	283,913	283,913
	<b>283,913</b>	<b>283,913</b>
<b>Guarantee obligations</b>		
Danske Bank	100,000	100,000

# Notes to the Financial Statements

## 7 Accounting Policies

The Annual Report of Likvido ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

### Correction of material misstatements

With regards to the true and fair view of the financial statements, certain reclassifications have been made in the balance sheet and notes. Comparative figures have been adjusted accordingly. The reclassification has resulted in an increase in assets and liabilities in the current year of DKK 1,312,596 and in the comparative figures of DKK 626,643. The reclassification further caused a reclassification in the statement of changes in equity of DKK 488,782 between reserve for development costs and retained earnings. The reclassification have had no impact in the result.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

### 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.



# Notes to the Financial Statements

## 7 Accounting Policies (continued)

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. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

The Company's services comprise outsourcing services, including invoicing, debt management and debt collection. Income from invoicing and debt management is recognised as revenue as the service is delivered. Income from debt collection is recognised as revenue on collection of the debt.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Cost of sales

Cost of sales comprise postage, fees and legal fees directly related to achieving revenue for the year.

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, cost of sales and other external expenses.

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## **Balance Sheet**

### **Intangible assets**

#### ***Development projects***

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item "Reserve for development costs". The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 years.

### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	5	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Fixed asset investments

Fixed asset investments consist of deposits.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning subscriptions.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of 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 crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.