

GemCap ApS

Lyngby Hovedgade 10c

2800 Kgs. Lyngby

CVR No. 39286394

Annual Report 2022/23

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 29 December 2023

Christian Harboe Wissum
Chairman

Contents

Management's Statement	3
Company Information	4
Management's Review	5
Accounting Policies	6
Income Statement	9
Balance Sheet	10
Notes	12

Management's Statement

Today, Management has considered and adopted the Annual Report of GemCap ApS for the financial year 1 July 2022 - 30 June 2023.

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 assets, liabilities and financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 - 30 June 2023.

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

The conditions for not conducting an audit of the Financial Statement have been met.

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

Copenhagen, 29 December 2023

Executive Board

Kim Hersland
Director

Supervisory Board

Kim Hersland
Boardmember

Christian Harboe Wissum
Chairman

Company details

Company	GemCap ApS Lyngby Hovedgade 10c 2800 Kgs. Lyngby
CVR No.	39286394
Financial year	1 July 2022 - 30 June 2023
Supervisory Board	Kim Hersland Christian Harboe Wissum
Executive Board	Kim Hersland

Management's Review

The Company's principal activities

GemCap ApS is a North-European, privately owned investment company, formed in 2018. The company's purpose is to directly or indirectly conduct development, production, trade, service, financing and investment activities with special emphasis on precious stones.

Development in the activities and the financial situation of the Company

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 July 2022 - 30 June 2023 shows a result of EUR -5.998.238 and the Balance Sheet at 30 June 2023 a balance sheet total of EUR 114.280.000 and an equity of EUR 113.636.524.

With effect from 15 May 2023, the company has sold all inventories of precious stones to an external third party and received listed certificates as payment. The value of the certificates is linked to the precious stones, and is expected to increase in price as the gemstones are cut, polished and certified as individual stones. This process is expected to start early 2024.

Investments

GemCap has acquired minority share of an international company that deals with Artificial Intelligence within the financial sector.

The Company's investments in the life sciences industry have been negatively affected by the Corona situation and continues to be so. This applies to the Company's interests within genetically modified treatments as well as the Company's participation in a herpes medicine project. In addition, external factors have been impacting investments and co-operation relations. Consequently, in 2020/2021 the management has decided to write down the Company's investments the life sciences industry with 50%.

The management has assessed that previous write-down of 50% of the investments in life science industries has not been sufficient and has therefore written down the investments by a further 50%, so that the investments now is booked at Euro 0 in the accounts.

Subsidiaries

All subsidiaries have been reorganized and sold off.

Audit:

The conditions for not conducting an audit of the Financial Statements have been met.

Accounting Policies

Reporting Class

The annual report of GemCap ApS for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in EUR.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Accounting Policies

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realizable value, a write-down to this lower value will be performed.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Other securities and equity investments recognised in current assets

Equity investments recognised as current assets comprise securities admitted for trading on a regulated market, which are measured at fair value at the reporting date. Fair value is calculated using prices quoted in the most recent transactions.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Accounting Policies

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2022/23 EUR	2021/22 EUR
Gross profit		-3.238	-51.988
Employee benefits expense	1	0	0
Profit from ordinary operating activities		-3.238	-51.988
Finance expences	2	-5.995.000	0
Profit from ordinary activities before tax		-5.998.238	-51.988
Profit		-5.998.238	-51.988
Proposed distribution of results			
Retained earnings		-5.998.238	-51.988
Distribution of profit		-5.998.238	-51.988

Balance Sheet as of 30 June

	Note	2023 EUR	2022 EUR
Assets			
Development projects in progress and prepayments for intangible assets		0	275.000
Intangible assets		0	275.000
Long-term investments in group enterprises		0	60.750
Investments		0	60.750
Fixed assets		0	335.750
Raw materials and consumables		0	120.000.000
Inventories		0	120.000.000
Other short-term receivables		0	6.750
Receivables		0	6.750
Other short-term investments		114.280.000	0
Short-term investments		114.280.000	0
Current assets		114.280.000	120.006.750
Assets		114.280.000	120.342.500

Balance Sheet as of 30 June

	Note	2023 EUR	2022 EUR
Liabilities and equity			
Contributed capital		1.000.000	1.000.000
Share premium		119.006.750	119.006.750
Retained earnings		-6.370.226	-371.988
Equity		113.636.524	119.634.762
Other payables		643.476	707.738
Short-term liabilities other than provisions		643.476	707.738
Liabilities other than provisions within the business		643.476	707.738
Liabilities and equity		114.280.000	120.342.500
Contingent liabilities	3		
Collaterals and assets pledged as security	4		

Notes

	2022/23	2021/22
1. Employee benefits expense		
Average number of employees	<u>0</u>	<u>0</u>
2. Finance expenses		
Other finance expenses	<u>5.995.000</u>	<u>0</u>
	<u>5.995.000</u>	<u>0</u>

3. Contingent liabilities

After the end of the financial year, but before the presentation of the accounts, the company assumed a liability of Euro 3,750,000, which is expected to be paid in the financial year 2023/24

No other contingent liabilities exist at the balance sheet date.

4. Collaterals and securities

No securities or mortgages exist at the balance sheet date.