

# **e-Money Markets ApS**

Århusgade 88, 3., 2100 Copenhagen, Denmark

CVR no. 39 44 90 48

## **Annual report 2018**

(As of the establishment of the Company 1 April - 31 December 2018)

Approved at the Company's annual general meeting on 31 May 2019

Chairman:

  
.....  
Martin Dyring-Andersen

## Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements for the period 1 April - 31 December 2018	7
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

## Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of e-Money Markets ApS for the financial year as of the establishment of the Company 1 April - 31 December 2018.

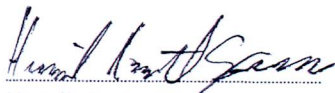
The annual report is prepared in accordance with the Danish Financial Statements Act.


In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year as of the establishment of the Company 1 April - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 May 2019  
Executive Board:

  
Henrik Aasted Sørensen

  
Martin Dyring-Andersen

## Independent auditor's report

### To the shareholder of e-Money Markets ApS

#### Opinion

We have audited the financial statements of e-Money Markets ApS for the financial year as of the establishment of the Company 1 April - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year as of the establishment of the company 1 April - 31 December 2018 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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 rules and requirements.

#### 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 as to 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 the 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.

## Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

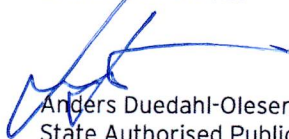
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2019

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Anders Duedahl-Olesen  
State Authorised Public Accountant  
mne24732



Anne Tønsberg  
State Authorised Public Accountant  
mne32121

## Management's review

### Company details

Name	e-Money Markets ApS
Address, Postal code, City	Århusgade 88, 3., 2100 Copenhagen, Denmark
CVR no.	39 44 90 48
Established	1 April 2018
Registered office	Copenhagen
Financial year	1 April - 31 December 2018
Executive Board	Henrik Aasted Sørensen Martin Dyring-Andersen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

## **Management's review**

### **Business review**

The company's planned core activity is, to acts as a liquidity provider ("market maker") for tokenized assets and currencies on a variety of exchanges. No business activity has taken place in 2018.

### **Financial review**

The income statement for 2018 shows a loss of DKK 21,314, and the balance sheet at 31 December 2018 shows equity of DKK 28,686.

The Company has lost more than half of the share capital. Management expects the Company to reestablish the equity through capital increase.

The company has received liquidity commitment from the parent company in order to fulfill budget and plan until 31 December 2019.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements for the period 1 April - 31 December 2018

### Income statement

Note	DKK	2018 9 months
	Other external expenses	<u>-27,326</u>
	<b>Gross profit</b>	-27,326
	<b>Profit/loss before tax</b>	-27,326
	Tax for the year	6,012
	<b>Profit/loss for the year</b>	<u><u>-21,314</u></u>
	<b>Recommended appropriation of profit/loss</b>	
	Retained earnings/accumulated loss	<u>-21,314</u>
		<u><u>-21,314</u></u>



## Financial statements for the period 1 April - 31 December 2018

### Balance sheet

Note	DKK	<u>2018</u>
	<b>ASSETS</b>	
	<b>Non-fixed assets</b>	
	<b>Receivables</b>	
	Receivables from group enterprises	46,004
	Joint taxation contribution receivable	<u>6,012</u>
		<u>52,016</u>
	<b>Total non-fixed assets</b>	<u>52,016</u>
	<b>TOTAL ASSETS</b>	<u><u>52,016</u></u>
	<b>EQUITY AND LIABILITIES</b>	
	<b>Equity</b>	
	Share capital	50,000
	Retained earnings	<u>-21,314</u>
	<b>Total equity</b>	<u>28,686</u>
	<b>Liabilities other than provisions</b>	
	<b>Current liabilities other than provisions</b>	
	Trade payables	<u>23,330</u>
		<u>23,330</u>
	<b>Total liabilities other than provisions</b>	<u>23,330</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>52,016</u></u>

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 3 Staff costs
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral

## Financial statements for the period 1 April - 31 December 2018

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50,000	.0	50,000
Transfer through appropriation of loss	0	-21,314	-21,314
<b>Equity at 31 December 2018</b>	<u>50,000</u>	<u>-21,314</u>	<u>28,686</u>

## Financial statements for the period 1 April - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies

The annual report of e-Money Markets ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities.

#### Income statement

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration.

##### 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 recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

#### Balance sheet

##### Receivables

Receivables are measured at amortised cost.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

#### 2 Recognition and measurement uncertainties

The company has received liquidity commitment from the parent company in order to fulfill budget and plan until 31 December 2019.

## Financial statements for the period 1 April - 31 December 2018

### Notes to the financial statements

#### 3 Staff costs

The Company has no employees.

#### 4 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

As a consolidated entity, the Company has joint and several unlimited liability, together with other consolidated entities, for all Danish corporation taxes and withholding taxes on dividend, interest and royalties within the joint taxation group.

The jointly taxed entities' total known net liability to the Danish tax authorities is disclosed in the administrative company's financial statements, Martin Dyring-Andersen Holding ApS (CVR-no. 29928606).

Any subsequent corrections of income subject to joint taxation and withholding tax, etc., may entail that the Company's liability increases.

#### 5 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2018.