

Airpay Denmark A/S

c/o Bech-Bruun
Langelinie Allé 35, 2100 Copenhagen Ø

CVR no. 39 62 39 94

Annual report 2021

Approved at the Company's annual general meeting on 12 July 2022

Chair of the meeting:



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Airpay Denmark A/S 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 financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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. *WMA*

Copenhagen, 12 July 2022
Executive Board:



Guangxu Gao

Board of Directors:



Peter Michael Albrechtslund
Chair



Yanfen Han



Guangxu Gao

Independent auditor's report

To the shareholders of Airpay Denmark A/S

Opinion

We have audited the financial statements of Airpay Denmark A/S for the financial year 1 January - 31 December 2021, 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 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 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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.
- ▶ 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 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.

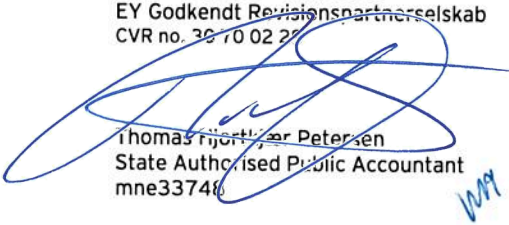
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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, 12 July 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 27


Thomas Riisbjerg Petersen
State Authorised Public Accountant
mne33748

Management's review

Company details

Name	Airpay Denmark A/S
Address, Postal code, City	c/o Bech-Bruun Langelinie Allé 35, 2100 Copenhagen Ø
CVR no.	39 62 39 94
Established	28 May 2018
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Peter Michael Albrechtslund, Chair Yanfen Han Guangxu Gao
Executive Board	Guangxu Gao
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

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Management's review

Business review

The Company's core activity, is to provide financial technological services, including electronic payment solutions and related activities at the Board of Directors' discretion.

Financial review

The income statement for 2021 shows a loss of DKK 430,952 against a loss of DKK 1,004,146 last year, and the balance sheet at 31 December 2021 shows equity of DKK 609,175.

Due to the continuation of the COVID-19 lockdowns, the Company has still not had any activities as payment institution in 2021.

Management considers the Company's financial performance in the year as expected with regard to the completed start-up- and development activities.

Events after the balance sheet date

14 June 2022, management decided to return the license for being a payment institution. Going forward the Company will therefore have no activity.

Other than that, no events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

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Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Gross loss	-423,242	-990,546
	Financial expenses	-7,710	-13,600
	Profit/loss before tax	-430,952	-1,004,146
	Tax for the year	0	0
	Profit/loss for the year	-430,952	-1,004,146
	 Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-430,952	-1,004,146
		-430,952	-1,004,146

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Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Non-fixed assets		
	Receivables		
	Trade receivables	0	8,000
	Receivables from group entities	0	24,000
	Other receivables	35,222	136,015
		<u>35,222</u>	<u>168,015</u>
	Cash	942,948	701,908
	Total non-fixed assets	<u>978,170</u>	<u>869,923</u>
	TOTAL ASSETS	<u>978,170</u>	<u>869,923</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	2,501,000	2,500,000
	Retained earnings	-1,891,825	-1,695,873
	Total equity	<u>609,175</u>	<u>804,127</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	234,385	39,000
	Payables to shareholders and Management	134,610	26,796
		<u>368,995</u>	<u>65,796</u>
	Total liabilities other than provisions	<u>368,995</u>	<u>65,796</u>
	TOTAL EQUITY AND LIABILITIES	<u>978,170</u>	<u>869,923</u>

- 1 Accounting policies
- 2 Staff costs
- 3 Contractual obligations and contingencies, etc.

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Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2021	2,500,000	-1,695,873	804,127
Capital increase	1,000	235,000	236,000
Transfer through appropriation of loss	0	-430,952	-430,952
Equity at 31 December 2021	2,501,000	-1,891,825	609,175

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Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Airpay Denmark A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross loss in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating 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 pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

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.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Liabilities

Liabilities are measured at net realisable value.

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Financial statements 1 January - 31 December

Notes to the financial statements

2 Staff costs

The Company has no employees other than Management.

3 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company had no financial obligations at 31 December 2021.

The Company is jointly taxed with its parent, Airpay Denmark Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2021 onwards as well as withholding taxes on interest, royalties and dividends.

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