

CMC Kredit ApS

Home address: Rådhusvej 13, st., 2920 Charlottenlund

CVR-number 40 48 83 67

Annual report 2023

Financial year: 1 January - 31 December 2023

Approved at the annual general meeting of shareholders on 26 June 2024

Casper Hallas
Chairman

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Company information

The Company	CMC Kredit ApS Rådhusvej 13, st. 2920 Charlottenlund Municipality of domicile: Gentofte
Secondary name of reporting entity	Denti Kredit ApS
Executive board	Casper Hallas Mathias Marstal Hoffmann
Date of establishment	22 May 2019
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Financial Year	1 January – 31 December

Management's review

The Company's business review and principal activities

The company's purpose is limited to conducting lending operations exclusively to the borrowers designated by the parent company CMC Finans ApS.

Significant changes in the company's activities and financial affairs

There have been no significant changes in the activities and financial position during the financial year.

Management's statement on the annual report

The Executive Board have today discussed and approved the annual report 2023 of CMC Kredit ApS.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual report gives a true and fair view of the Company's financial position at 31 December 2023 and the results of the Company's operations for the financial year 1 January - 31 December 2023.

In our opinion, the Management's review includes a fair review of the matters discussed in the Management review.

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

Charlottenlund, 26 June 2024.

Executive board

Casper Hallas

Mathias Marstal Hoffmann

Independent auditors' report

To the shareholders of CMC Kredit ApS:

Opinion

We have audited the Financial Statements of CMC Kredit ApS for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Company. 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 Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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 of accounting information 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 judgment and maintain professional skepticism 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.

Independent auditors' report

- 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.

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 Statement Act. We did not identify any material misstatement of Management's Review.

Elsinore, 26 June 2024

Aaen & Co. statsautoriserede revisorer p/s

Kongevejen 3, 3000 Helsingør – CVR-nummer 33 24 17 63

Jesper Fenger Smidt

State Authorised Public Accountant

mne31476

Accounting Policies

Basis of accounting

The Annual Report of CMC Kredit ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. Management has chosen to follow certain rules from reporting class C.

The accounting policies applied by the company are consistent with those of last year. However, the balance sheet has been changed regarding presentation of trade receivables. Comparative figures have changed as a result. Income statement, balance sheet total and equity remain unchanged.

Reporting currency

The financial statements are presented in Danish kroner.

Recognition and measurement

Revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortization and impairment losses, are recognized in the income statement.

Assets are recognized 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 recognized 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.

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortized cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortization of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

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 recognized in financial income and expenses in the income statement. If foreign exchange positions are considered hedging of future cash flows, the value adjustments are recognized directly in equity.

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. The difference between the exchange rate at the balance sheet date and the rate at the time of origin of the receivable or debt is recognized in financial income and expenses in the income statement.

Accounting Policies

Income Statement

Gross profit

With reference to section 32 of the Danish financial statements act, the items "Revenue", "Direct expenses" and "Operating expenses" are consolidated into one item designated "Gross profit".

Net sales include interest and fees on dental loans. Income from the rendering of services is recognized as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (percentage-of-completion method). Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognized in revenue.

Direct expenses include costs in the form of referral commissions that have been used to achieve revenue for the year.

Operating expenses include the years expenses relating to the entity's core activities, including expenses relating to sale, administration, premises, bad debt, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses concerning debt and transactions in foreign currencies as well as extra payments and repayment under the on-account taxation scheme.

Corporation 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 entity is jointly taxed with its parent company. CMC Finans ApS acts as a management company. The tax effect of the joint taxation with the parent company is distributed to both profit-making and loss-making companies in relation to taxable income (full allocation method).

Balance Sheet

Long-term receivables

Other-long term receivables include loans with a maturity of more than one year, calculated as loans minus current installments. Loans are measured at amortized cost, which corresponds to nominal value, less impairment losses of losses.

Accounting Policies

Short-term receivables

Receivables from sales and services include loans consist of loans due within one year. include it written down value of overdue payments on loans as well as accrued interest and reminder fees. Provisions are made for bad debts because of objective evidence that a receivable or a group of receivables are impaired. Write-downs are made to the lower of the net realizable value and the carrying amount.

Other receivables include sale of loan portfolio to third parties.

Cash and cash equivalents

Cash and cash equivalents include bank deposits.

Corporation tax and deferred tax

The company is jointly taxed with its parent company CMC Finans ApS. Current tax liabilities and current tax receivable are calculated tax on the taxable income for the year adjusted for tax on previous years' taxable income as well as for taxes paid on account. Corporate income tax is recognized in the balance sheet under "Corporate income tax" or "Corporate income tax receivable".

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, of concerning shares, where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured based on the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be either realized, by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realizable value.

Deferred tax is measured based on 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 be crystallized as current tax.

Debt

Other liabilities are measured at net realisable value.

Income statement 1 January - 31 December

Note	2023	2022
Gross profit	11,732,103	8,141,578
Profit from ordinary operating activities	11,732,103	8,141,578
1 Financial expenses	11,239,220	8,057,202
Profit before tax	492,883	84,376
2 Tax expense on ordinary activities	97,526	0
Profit for the year	395,357	84,376
Proposed distribution of results:		
Proposed dividend	24,285,047	0
Retained earnings	-23,889,690	84,376
Profit for the year distributed	395,357	84,376

Balance sheet at 31 December

Assets

Note	2023	2022
3 Finance receivables	75,007,240	65,862,232
Long term investments and receivables	75,007,240	65,862,232
Non-current assets	75,007,240	65,862,232
3 Current finance receivables	3,943,560	2,376,474
Receivables from group enterprises	939,403	840,052
Other receivables	231,570	347,967
Receivables	5,114,533	3,564,493
Cash and cash equivalents	1,386,409	130,628
Current assets	6,500,942	3,695,121
Total assets	81,508,182	69,557,353

Balance sheet at 31 December

Equity and liabilities

Note	2023	2022
Share capital	40,000	40,000
Retained earnings	0	23,889,690
Proposed dividend	24,285,047	0
Equity	24,325,047	23,929,690
Trade payables	1,284	18,495
Tax payables	97,526	0
Payables to group enterprises	56,321,689	44,940,309
Other payables	762,636	668,859
Short-term debt	57,183,135	45,627,663
Total debt	57,183,135	45,627,663
Total liabilities and equity	81,508,182	69,557,353
3 Receivables.		
4 Accounting estimates and assessments		
5 Contingent liabilities		
6 Collaterals		

Equity statement

	Share capital	Retained earnings	Proposed dividend	Equity Total
Equity 1 January 2022	40,000	23,805,314	0	23,845,314
Profit of the year	0	84,376	0	84,376
Equity 31 December 2022	40,000	23,889,690	0	23,929,690
Equity 1 January 2023	40,000	23,889,690	0	23,929,690
Profit of the year	0	-23,889,690	24,285,047	395,357
Equity 31 December 2023	40,000	0	24,285,047	24,325,047

Notes to the annual accounts

	2023	2022
1 Financial expenses		
Interest expenses, group entities	11,227,712	8,033,654
Other interest expenses	11,508	23,548
	11,239,220	8,057,202
2 Tax expense on ordinary activities		
Tax on the taxable income of the year	97,526	0
	97,526	0
3 Receivables.		
Cost at 1 January	69,014,384	35,615,916
Additions in the year	42,428,559	58,752,719
Desposals in the year	-31,616,465	-25,354,251
Cost at 31 December	79,826,478	69,014,384
Impairment losses at 1 January	-775,678	-1,675,939
Amortisation in the year	-100,000	0
Reversal of amortisation former year	0	900,261
Impairment losses at 31 December	-875,678	-775,678
Carrying amount at 31 December	78,950,800	68,238,706
Long-term receivables are due for payment after one year	75,007,240	65,862,232
Short-term receivables due for payment within one year	3,943,560	2,376,474

Notes to the annual accounts

4 Accounting estimates and assessments

In connection with the preparation of the financial statements, the management has made a number of assumptions and made accounting estimates and assessments, which form part of the basis for the recognition and measurement of the company's assets and liabilities as well as income and expenses.

These assumptions and assessments are based on historical experience and business knowledge, as well as other factors that may cause the realized results to differ from the estimates and judgments used.

Management is of the opinion that accounting estimates and judgments that may be particularly important for the preparation of accounts primarily relate to provisions for losses on debtors.

5 Contingent liabilities

The company is jointly taxed with the parent company CMC Finans ApS as a management company and with other Danish affiliated companies. The company is jointly and severally liable with other jointly taxed companies in the Group for the payment of withholding tax and corporation tax.

6 Collaterals

Funding partners in the parent company CMC Finans ApS, who have paid funding to finance the loan book have prorata security in the shares in CMC Kredit ApS andt thereby in underlying return in the form of paid-in: repayments, interest and establishment fees at book value DKK million 79,0.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Casper Hallas

Navnet returneret af dansk MitID var:

Casper Hallas

Direktør

ID: 77ec15c9-929a-4e99-9099-d5d32005a439

Tidspunkt for underskrift: 27-06-2024 kl.: 13:03:05

Underskrevet med MitID



Mathias Marstal Hoffmann

Navnet returneret af dansk MitID var:

Mathias Marstal Hoffmann

Direktør

ID: b55b6fc9-7526-47ec-966c-dbf0a301ccad

Tidspunkt for underskrift: 27-06-2024 kl.: 12:06:03

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