

CMC Kredit ApS

Home address: Charlottenlund Stationsplads 2, 2920 Charlottenlund

CVR-number 40 48 83 67

Annual Report 2020

Financial year: 1 January - 31 December 2020

This document has esignatur Agreement-ID: c84b94b3Hrj242184161

Approved at the annual general meeting of shareholders on 22 April 2021

Casper Hallas
Chairman

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Company Information

The Company	CMC Kredit ApS Charlottenlund Stationsplads 2 2920 Charlottenlund Municipality of domicile: Gentofte
Secondary name of reporting entity	Denti Kredit ApS
Executive Board	Casper Hallas Dorte Hallager
Date of foundation	2 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

During the financial year of 2020, CMC Kredit ApS received 24,000 T.DKK in grant in form of a loan portfolio from the parent company CMC Finans ApS.

Management's Statement on the Annual Report

The Executive Board have today discussed and approved the Annual Report 2020 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 2020 and the results of the Company's operations for the financial year 1 January - 31 December 2020.

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, 22 April 2021.

Executive Board

Casper Hallas

Dorte Hallager

The independent practitioner's report

To the shareholder of CMC Kredit ApS:

Conclusion

We have performed an extended review of the financial statements of CMC Kredit 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 are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position 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.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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.

Practitioner's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

The independent practitioner's report

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 extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement in the Management's review.

Elsinore, 22 April 2021

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 2020 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.

Reporting currency

The financial statements are presented in Danish kroner.

Recognition and measurement

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

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortisation 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 recognised in financial income and expenses in the income statement. If foreign exchange positions are considered hedging of future cash flows, the value adjustments are recognised 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 recognised 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", "Other external expenses" and "Other operating income" are consolidated into one item designated "Gross profit".

Net sales include interest and fees on dental loans. Income from the rendering of services is recognised 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 recognised in revenue.

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

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to sale, administration, premises, bad debts, 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

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. 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 realisable value and the carrying amount. Investments comprise rent deposits, which is measured at cost.

Cash and cash equivalents

Cash and cash equivalents include bank deposits.

Accounting Policies

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 realised, 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 realisable 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 crystallised as current tax.

Debt

Other liabilities are measured at net realisable value.

Income Statement 1 January - 31 December

Note	2020	2019 8 months
Gross profit	1.058.508	-16.374
Profit (loss) from ordinary operating activities	1.058.508	-16.374
1 Financial expenses	1.379.306	87
Profit before tax	-320.798	-16.461
2 Tax expense on ordinary activities	-30.448	-748
Profit for the year	-290.350	-15.713
Proposed distribution of results:		
Retained earnings	-290.350	-15.713
Profit for the year distributed	-290.350	-15.713

Balance 31 December

Assets

Note		2020	2019
3	Trade receivables	25.468.926	0
	Receivables from group enterprises	590.578	0
	Short-term tax receivables	30.448	748
	Receivables	26.089.952	748
	Cash and cash equivalents	158.904	43.539
	Current assets	26.248.856	44.287
	Total assets	26.248.856	44.287

Balance 31 December

Liabilities

Note	2020	2019
Share capital	40.000	40.000
Retained earnings	23.821.800	-15.713
Equity	23.861.800	24.287
Payables to group enterprises	2.377.056	10.000
Other payables	10.000	10.000
Short-term debt	2.387.056	20.000
Total debt	2.387.056	20.000
Total liabilities and equity	26.248.856	44.287
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 2019	40.000	0	0	40.000
Profit of the year	0	-15.713	0	-15.713
Equity 31 December 2019	40.000	-15.713	0	24.287
Equity 1 January 2020	40.000	-15.713	0	24.287
Grants from group	0	24.127.863	0	24.127.863
Profit of the year	0	-290.350	0	-290.350
Equity 31 December 2020	40.000	23.821.800	0	23.861.800

Notes to the annual accounts

	2020	2019
		8 months
1 Financial expenses		
Interest expenses, group entities	1.378.261	0
Other interest expenses	1.045	87
	1.379.306	87
2 Tax expense on ordinary activities		
Tax on the taxable income of the year	-30.448	-748
	-30.448	-748

3 Receivables.

Of the company's receivables from the sale of goods and services, DKK 14,252,957 is due for payment after one year.

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.

Notes to the annual accounts

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 25,5.

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

Som Direktør

PID: 9208-2002-2-383127873435

Tidspunkt for underskrift: 23-04-2021 kl.: 11:19:57

Underskrevet med NemID

NEM ID

Casper Hallas

Som Dirigent

PID: 9208-2002-2-383127873435

Tidspunkt for underskrift: 23-04-2021 kl.: 11:19:57

Underskrevet med NemID

NEM ID

Dorte Hallager

Som Direktør

PID: 9208-2002-2-175429335170

Tidspunkt for underskrift: 23-04-2021 kl.: 11:03:10

Underskrevet med NemID

NEM ID

Jesper Smidt

Som Revisor

RID: 1287500629677

Tidspunkt for underskrift: 23-04-2021 kl.: 13:47:01

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