

CMC Kredit ApS

Home address: Charlottenlund Stationsplads 2, 2920 Charlottenlund

CVR-number 40 48 83 67

Annual Report 2019

Financial year: 2 May 2019 - 31 December 2019

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Approved at the annual general meeting of shareholders on 1 May 2020

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
First financial year	2 May 2019 – 31 December 2019

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

It is the company's first financial year, which includes eight months. The obtained results are in accordance with expectations.

Events after the end of the reporting period

After the end of the financial year, the global Corona crisis with Covid-19 occurred. At present, the full impact of the crisis is unknown, including the expected duration and financial impact of the crisis. However, it is the management's expectation based on current knowledge, including the government's aid packages, that the financial impact on the company will not be material.

Management's Statement on the Annual Report

The Executive Board have today discussed and approved the Annual Report 2019 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 2019 and the results of the Company's operations for the financial year 2 May 2019 - 31 December 2019.

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, 1 May 2020.

Executive Board

Casper Hallas

Dorte Hallager

Independent auditors' report

To the shareholder of CMC Kredit ApS:

Opinion

We have audited the Financial Statements of CMC Kredit ApS for the financial year 2 May 2019 - 31 December 2019, which comprise income statement, balance sheet 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 2019 and of the results of the Company's operations for the financial year 2 May 2019 - 31 December 2019 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' 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 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.
- 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 auditors' report

Auditor's Responsibilities for the Audit of the Financial Statements, continued

- 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, in our view, 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 Management's Review.

Elsinore, 1 May 2020

Aaen & Co. statsautoriserede revisorer p/s

Kongevej 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 2019 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

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to administration, 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 2 May 2019 - 31 December 2019

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

Balance 31 December 2019

Assets

<u>Note</u>	<u>2019</u>
Short-term tax receivables	748
Receivables	748
Cash and cash equivalents	43.539
Current assets	44.287
Total assets	44.287

Balance 31 December 2019

Liabilities

Note	2019
Share capital	40.000
Retained earnings	-15.713
2 Equity	24.287
Payables to group enterprises	10.000
Other payables	10.000
Short-term debt	20.000
Total debt	20.000
Total liabilities and equity	44.287
3 Contingent liabilities	

Notes to the annual accounts

		2019
		8 months
1	Tax expense on ordinary activities	
	Tax on the taxable income of the year	-748
		-748

2	Equity		
		Share capital	Retained earnings
	Equity 2 May 2019	40.000	0
	Profit of the year	0	-15.713
	Equity 31 December 2019	40.000	-15.713

3 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.

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: 04-05-2020 kl.: 16:01:22
Underskrevet med NemID

NEM ID

Casper Hallas

Som Dirigent
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Tidspunkt for underskrift: 04-05-2020 kl.: 16:01:22
Underskrevet med NemID

NEM ID

Dorte Hallager

Som Direktør
PID: 9208-2002-2-175429335170
Tidspunkt for underskrift: 04-05-2020 kl.: 15:14:26
Underskrevet med NemID

NEM ID

Jesper Smidt

Som Revisor
RID: 1287500629677
Tidspunkt for underskrift: 04-05-2020 kl.: 16:21:04
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