



# RSM

**RSM Danmark**

Statsautoriseret  
Revisionspartnerselskab

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# Velocity Global Denmark ApS

c/o Advokatfirmaet Kjellegaard Jensen, Tuborg Boulevard 12, 3., 2900 Hellerup

Company reg. no. 41 23 84 88

## Annual report

**1 January - 31 December 2022**

The annual report was submitted and approved by the general meeting on the 6 July 2023.

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**Shawn Lee McIntire**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Executive Board has approved the annual report of Velocity Global Denmark ApS for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

The Executive Board consider the conditions for audit exemption of the 2022 financial statements to be met.

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

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 6 July 2023

### **Executive board**

Shawn Lee McIntire

Gregory Paul Thiessen

## **Practitioner's compilation report**

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### **To the Shareholder of Velocity Global Denmark ApS**

We have compiled the financial statements of Velocity Global Denmark ApS for the financial year 1 January - 31 December 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Skive, 6 July 2023

### **RSM Danmark**

Statsautoriseret Revisionspartnerselskab  
Company reg. no. 25 49 21 45

**Kenny Dam Handberg**

State Authorised Public Accountant  
mne43515

## Company information

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**The company**

Velocity Global Denmark ApS  
c/o Advokatfirmaet Kjellegaard Jensen  
Tuborg Boulevard 12, 3.  
2900 Hellerup

Company reg. no. 41 23 84 88  
Established: 3 March 2020  
Financial year: 1 January - 31 December  
3rd financial year

**Executive board**

Shawn Lee McIntire  
Gregory Paul Thiessen

**Auditors**

RSM Danmark Statsautoriseret Revisionspartnerselskab  
Frugtparken 3  
7800 Skive

**Parent company**

Velocity Global B.V.

## Management's review

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### **Description of key activities of the company**

Like previous years, the activities are to make labor available to third parties and to administer it as well as related business.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 15.280.779 against DKK 7.009 last year. Income or loss from ordinary activities after tax totals DKK 19.031 against DKK 5.328 last year. Management considers the net profit or loss for the year satisfactory.

The entity has begun its activity in the financial year. Equity has not yet been reestablished but based on the financial figures of 2022 and the expectation for the coming years the entity is expected to reestablish equity within the next few years.

### **Events occurring after the end of the financial year**

No events have occurred after the end of the financial year which would materially affect the company's conditions.

## Accounting policies

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The annual report for Velocity Global Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### **Recognition and measurement in general**

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### **Foreign currency translation**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

## Accounting policies

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Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

### Income statement

#### Gross profit

Gross profit comprises the revenue, other operating income, and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale. The entity is acting as agent on behalf of other entities in the group. Revenue comprises of commission from entities in the group.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other operating income consists of income from passthrough costs due to the entity acting as agent on behalf of other entities in the group.

Other external expenses comprise expenses incurred for administration.

#### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

#### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.



## Accounting policies

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### Statement of financial position

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

#### Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

#### Liabilities other than provisions

Liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Gross profit</b>	<b>15.280.779</b>	<b>7.009</b>
1 Staff costs	-15.239.003	0
<b>Operating profit</b>	<b>41.776</b>	<b>7.009</b>
Other financial income	12.453	0
Other financial expenses	-35.198	-1.681
<b>Pre-tax net profit or loss</b>	<b>19.031</b>	<b>5.328</b>
Tax on net profit or loss for the year	0	0
<b>Net profit or loss for the year</b>	<b>19.031</b>	<b>5.328</b>
<b>Proposed distribution of net profit:</b>		
Transferred to retained earnings	19.031	5.328
<b>Total allocations and transfers</b>	<b>19.031</b>	<b>5.328</b>

## Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current assets</b>		
Receivables from group enterprises	2.988.001	120.573
Other receivables	134.484	0
Prepayments	9.494	7.115
Total receivables	<u>3.131.979</u>	<u>127.688</u>
Cash and cash equivalents	<u>1.163.583</u>	<u>131.278</u>
<b>Total current assets</b>	<b><u>4.295.562</u></b>	<b><u>258.966</u></b>
<b>Total assets</b>	<b><u>4.295.562</u></b>	<b><u>258.966</u></b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	40.000	40.000
Retained earnings	<u>-46.967</u>	<u>-65.998</u>
<b>Total equity</b>	<b><u>-6.967</u></b>	<b><u>-25.998</u></b>
<b>Liabilities other than provisions</b>		
Bank loans	2.238	0
Trade payables	58.335	94.800
Payables to group enterprises	464.822	179.597
Other payables	<u>3.777.134</u>	<u>10.567</u>
Total short term liabilities other than provisions	<u>4.302.529</u>	<u>284.964</u>
<b>Total liabilities other than provisions</b>	<b><u>4.302.529</u></b>	<b><u>284.964</u></b>
<b>Total equity and liabilities</b>	<b><u>4.295.562</u></b>	<b><u>258.966</u></b>

## 2 Related parties

## Notes

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All amounts in DKK.

	<u>2022</u>	<u>2021</u>
<b>1. Staff costs</b>		
Salaries and wages	14.683.053	0
Pension costs	444.728	0
Other costs for social security	<u>111.222</u>	<u>0</u>
	<b><u>15.239.003</u></b>	<b><u>0</u></b>
Average number of employees	<u>11</u>	<u>0</u>

## 2. Related parties

### Consolidated financial statements

The company is included in the consolidated financial statements of Velocity Global LLC, 3827 Lafayette Street, Suite 107, Denver, CO 80205-5092, USA.