

Cantilever Europe ApS

Flæsketorvet 68, 1., 1711 København V

Company reg. no. 41 94 97 59

Annual report

16 December 2020 - 31 December 2021

The annual report was submitted and approved by the general meeting on the 24 February 2022.

Andrei Scarlatescu
Chairman of the meeting

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 %.

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Management's report

Today, the managing director has presented the annual report of Cantilever Europe ApS for the financial year 16 December 2020 - 31 December 2021.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 16 December 2020 – 31 December 2021.

The managing director consider the conditions for audit exemption of the 2020/21 financial statements to be met.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København V, 21 February 2022

Managing Director

Andrei Scarlatescu

Auditor's report on compilation of the financial statements

To the shareholders of Cantilever Europe ApS

We have compiled the financial statements of Cantilever Europe ApS for the financial year 16 December 2020 - 31 December 2021 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with the 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.

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

As 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 in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Aabyhøj, 21 February 2022

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

John Lindholm Bode

State Authorised Public Accountant
mne32840

Company information

The company

Cantilever Europe ApS
Flæsketorvet 68, 1.
1711 København V

Company reg. no. 41 94 97 59
Established: 16 December 2020
Domicile: Copenhagen
Financial year: 16 December - 31 December

Managing Director

Andrei Scarlatescu

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Søren Frichs Vej 36 L
8230 Aabyhøj

Parent company

Cantilever Inc.

Management commentary

The principal activities of the company

The principal activity is to provide digital designs and development services of high quality to the European market. The company's goal is to make the internet a better place for private users, customers and creators.

Development in activities and financial matters

The gross profit for the year totals DKK 1.083.079. Income from ordinary activities after tax totals DKK 379.609.

Accounting policies

The annual report for Cantilever Europe ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

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, writedowns 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.

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.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

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.

Accounting policies

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.

Cost of sales comprises costs concerning foreign work and expenses for re-invoicing in general.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises and loss on receivables.

Staff costs

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

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, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency as well as surcharges and reimbursements under the advance tax scheme, etc.

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.

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.

Prepayments and accrued income

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

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Liabilities other than provisions

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

Income statement

All amounts in DKK.

Note	16/12 2020
	- 31/12 2021
Gross profit	1.083.079
1 Staff costs	-597.572
Operating profit	485.507
Other financial income	6.396
Other financial costs	-556
Pre-tax net profit or loss	491.347
Tax on net profit or loss for the year	-111.738
Net profit or loss for the year	379.609
Proposed appropriation of net profit:	
Transferred to retained earnings	379.609
Total allocations and transfers	379.609

Statement of financial position

All amounts in DKK.

Assets	
<u>Note</u>	<u>31/12 2021</u>
Current assets	
Trade receivables	255.752
Receivables from group enterprises	8.697
Prepayments and accrued income	111
Total receivables	<u>264.560</u>
Cash on hand and demand deposits	<u>450.424</u>
Total current assets	<u>714.984</u>
Total assets	<u>714.984</u>
Equity and liabilities	
Equity	
Contributed capital	40.000
Retained earnings	<u>379.609</u>
Total equity	<u>419.609</u>
Liabilities other than provisions	
Other payables	<u>52.491</u>
2 Total long term liabilities other than provisions	<u>52.491</u>
Trade payables	49.572
Income tax payable	61.738
Other payables	<u>131.574</u>
Total short term liabilities other than provisions	<u>242.884</u>
Total liabilities other than provisions	<u>295.375</u>
Total equity and liabilities	<u>714.984</u>

3 Contingencies

Notes

All amounts in DKK.

16/12 2020
- 31/12 2021

1. Staff costs

Salaries and wages	593.968
Other costs for social security	3.604
	597.572
Average number of employees	1

2. Liabilities other than provision

	Total payables 31 Dec 2021	Current portion of long term payables	Long term payables 31 Dec 2021	Outstanding payables after 5 years
Other payables	52.491	0	52.491	0
	52.491	0	52.491	0

3. Contingencies

Contingent liabilities

Rent liabilities:

The company has signed a rent agreement with a liability in the notice period of t.DKK 3.