



e-Boks Development A/S

Hans Bekkevolds Alle 7
2900 Hellerup
CVR No. 42309745

Annual report 16.04.2021 - 31.12.2021

The Annual General Meeting adopted the
annual report on 07.04.2022

Carina Bansholt Oxfeldt
Chairman of the General Meeting

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Entity details

Entity

e-Boks Development A/S

Hans Bekkevolds Alle 7

2900 Hellerup

Business Registration No.: 42309745

Registered office: Gentofte

Financial year: 16.04.2021 - 31.12.2021

Board of Directors

Ulrik Thagesen, Chairman

Jesper Lind Breum

Carina Bansholt Oxfeldt

Executive Board

Jesper Lind Breum

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of e-Boks Development A/S for the financial year 16.04.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 16.04.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Hellerup, 07.04.2022

Executive Board

Jesper Lind Breum

Board of Directors

Ulrik Thagesen
Chairman

Jesper Lind Breum

Carina Bansholt Oxfeldt

Independent auditor's report

To the shareholders of e-Boks Development A/S

Opinion

We have audited the financial statements of e-Boks Development A/S for the financial year 16.04.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 16.04.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 judgement and maintain professional scepticism 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 07.04.2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Sten Peters

State Authorised Public Accountant

Identification No (MNE) mne11675

Management commentary

Primary activities

e-Boks helps individuals, companies, and institutions to digitally interact, communicate and service themselves effectively and securely through our platforms. Companies and institutions are our partners and together we create better secure digitalization where the users are in control.

e-Boks Development A/S maintains and develop the e-Boks platform and subsequent systems.

Development in activities and finances

In 2021, the realized result for e-Boks Development A/S were a loss of DKK 17.5 million and the equity totaled DKK 70.3 million. The result is impacted negatively as e-Boks invest heavily in the new platform for the international market.

The company have been created in the year and as such, there have been no expectations and there are no financial comparison figures.

Outlook

The Company expected to reach an operating loss in the area of DKK 20 – 30 million in 2022.

e-Boks do not see any significant impact from the COVID-19 situation. The business activity is on normal level –though indirect the situation has impacted the organization and normal ways of working.

The war in Ukraine does not impact e-Boks.

Group relations

e-Boks has in the year restructured the company structure with transfers of IP Rights, contracts, employees and the like. This provides a more scaleable structure while mitigating risk on scaling. There is no effect on customer service and go to market strategy.

Income statement for 2021

	Notes	2021 DKK
Gross profit/loss		8,903,482
Staff costs	3	(21,178,259)
Depreciation, amortisation and impairment losses	4	(10,478,464)
Operating profit/loss		(22,753,241)
Other financial income	5	810
Other financial expenses	6	(422,477)
Profit/loss before tax		(23,174,908)
Tax on profit/loss for the year	7	5,645,788
Profit/loss for the year		(17,529,120)
Proposed distribution of profit and loss		
Retained earnings		(17,529,120)
Proposed distribution of profit and loss		(17,529,120)

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK
Completed development projects	9	7,957,012
Acquired intangible assets		76,756,063
Intangible assets	8	84,713,075
Fixed assets		84,713,075
Receivables from group enterprises		4,439,467
Joint taxation contribution receivable		24,282,665
Prepayments		656,147
Receivables		29,378,279
Cash		3,052,864
Current assets		32,431,143
Assets		117,144,218

Equity and liabilities

	Notes	2021 DKK
Contributed capital		1,000,000
Reserve for development expenditure		6,206,469
Retained earnings		63,161,721
Equity		70,368,190
Deferred tax		18,636,877
Provisions		18,636,877
Trade payables		2,112,943
Payables to group enterprises		22,383,275
Other payables	10	3,642,933
Current liabilities other than provisions		28,139,151
Liabilities other than provisions		28,139,151
Equity and liabilities		117,144,218
Going concern	1	
Events after the balance sheet date	2	
Unrecognised rental and lease commitments	11	
Contingent liabilities	12	

Statement of changes in equity for 2021

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Contributed upon formation	1,000,000	0	0	1,000,000
Group contributions etc	0	0	86,897,310	86,897,310
Transfer to reserves	0	6,206,469	(6,206,469)	0
Profit/loss for the year	0	0	(17,529,120)	(17,529,120)
Equity end of year	1,000,000	6,206,469	63,161,721	70,368,190

Notes

1 Going concern

The parent company, e-Boks Group A/S, has issued a financial support statement so that e-Boks Development A/S can continue its operations until 31.12.2022.

2 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

3 Staff costs

	2021
	DKK
Wages and salaries	24,572,594
Pension costs	1,945,236
Other social security costs	147,953
	26,665,783
Staff costs classified as assets	(5,487,524)
	21,178,259
Average number of full-time employees	27

4 Depreciation, amortisation and impairment losses

	2021
	DKK
Amortisation of intangible assets	10,478,464
	10,478,464

5 Other financial income

	2021
	DKK
Financial income from group enterprises	810
	810

6 Other financial expenses

	2021
	DKK
Financial expenses from group enterprises	374,490
Other interest expenses	46,654
Other financial expenses	1,333
	422,477

7 Tax on profit/loss for the year

	2021
	DKK
Change in deferred tax	18,636,877
Refund in joint taxation arrangement	(24,282,665)
	(5,645,788)

8 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK
Additions	8,297,883	86,893,656
Cost end of year	8,297,883	86,893,656
Amortisation for the year	(340,871)	(10,137,593)
Amortisation and impairment losses end of year	(340,871)	(10,137,593)
Carrying amount end of year	7,957,012	76,756,063

9 Development projects

The addition for the year regarding development projects relates to continuous development of the new international platform. This will increase the scalability of the e-Boks solution and improve the "time to market" for new products.

10 Other payables

	2021
	DKK
VAT and duties	2,520
Wages and salaries, personal income taxes, social security costs, etc payable	2,117,328
Holiday pay obligation	1,523,085
	3,642,933

11 Unrecognised rental and lease commitments

	2021
	DKK
Liabilities under rental or lease agreements until maturity in total	191,034

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where e-Boks Group A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

Non-comparability

As this is the company's first financial year, it's not possible to compare the financial figures with last year, according to 55(2) of the Danish Financial Statements Act.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.