
Pluto.markets ApS

Kronprinsensgade , 3,2, DK-1114 København K

Annual Report for 2023

CVR No. 42 53 91 47

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 6/5 2024

Joakim Lindboe
Brüchmann
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of Pluto.markets ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Annual Report be adopted at the Annual General Meeting.

København K, 6 May 2024

Executive Board

Oscar Vingtoft Jacobsen
CEO

Practitioner's Statement on Compilation of Financial Statements

To the Management of Pluto.markets ApS

We have compiled the Financial Statements of Pluto.markets ApS for the financial year 1 January - 31 December 2023 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 6 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Benny Voss

State Authorised Public Accountant

mne15009

Company information

The Company

Pluto.markets ApS
Kronprinsensgade , 3,2
DK-1114 København K

CVR No: 42 53 91 47

Financial period: 1 January - 31 December

Incorporated: 9 July 2021

Financial year: 2nd financial year

Municipality of reg. office: Copenhagen

Executive Board

Oscar Vingtoft Jacobsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's review

Key activities

The company's main activities have consisted of developing infrastructure software for the financial sector and being a financial holding company.

Development in the year

The income statement of the Company for 2023 shows a loss of DKK 772,399, and at 31 December 2023 the balance sheet of the Company shows a negative equity of DKK 1,335,539.

Funding and going concern

The Financial Statements have been prepared on the assumption of the Company continuing as a going concern (please also refer to note 1).

This assumption stems from the fact that the parent company received a notable investment in January 2024 and that the vast majority of liabilities is in the form of a loan to this holding company, (Pluto.markets, Inc.) which has a flexible nature and easily can be converted into equity thereby bolstering the balance sheet significantly. This conversion-event is scheduled to occur during 2024.

The company continues to attract investments from leading investors globally, who continue to show strong support for our journey as a testament to the significant progress made within R&D related to the core banking infrastructure developed during the period

Uncertainty relating to recognition and measurement

In relation to the annual report for 2023, management enforced strict guidelines for allocating and calculating the cost of development projects in progress. The estimates are based on management's measurement of total time spent per employee on developing core banking infrastructure with only salary included at cost-price.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

The management became aware that there were errors in last year's annual report. That error is considered material for the annual report's assets, and has therefore been corrected in accordance with the rules in the Annual Accounts Act. For further description we refer to accounting policies.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

The company received more loan capital from the parent company after the cutoff, stemming from a significant investment raised in the parent company. The majority of this loan was afterwards injected into the subsidiary Pluto.markets Fondsmæglerselskab A/S.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK 12 months	DKK 10 months
Gross loss		-409,433	-456,550
Staff expenses	2	-378,647	-274,221
Profit/loss before financial income and expenses		-788,080	-730,771
Financial income	3	24,838	23,990
Financial expenses	4	-212,504	-128,280
Profit/loss before tax		-975,746	-835,061
Tax on profit/loss for the year	5	203,347	276,118
Net profit/loss for the year		-772,399	-558,943

Distribution of profit

	2023	2022
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-772,399	-558,943
	-772,399	-558,943

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Development projects in progress		2,647,789	1,603,789
Intangible assets	6	2,647,789	1,603,789
Investments in subsidiaries	7	650,000	650,000
Deposits		81,299	81,299
Fixed asset investments		731,299	731,299
Fixed assets		3,379,088	2,335,088
Trade receivables		13,750	0
Receivables from group enterprises		602,937	579,459
Other receivables		12,614	90,372
Corporation tax		203,347	276,118
Receivables		832,648	945,949
Cash at bank and in hand		131,281	1,160,666
Current assets		963,929	2,106,615
Assets		4,343,017	4,441,703

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		-1,375,539	-603,139
Equity		-1,335,539	-563,139
Trade payables		27,405	12,000
Payables to group enterprises		5,525,103	4,906,512
Payables to owners and Management		7,155	6,133
Other payables		118,893	80,197
Short-term debt		5,678,556	5,004,842
Debt		5,678,556	5,004,842
Liabilities and equity		4,343,017	4,441,703
Going concern	1		
Contingent assets, liabilities and other financial obligations	8		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40,000	-603,140	-563,140
Net profit/loss for the year	0	-772,399	-772,399
Equity at 31 December	40,000	-1,375,539	-1,335,539

Notes to the Financial Statements

1. Going concern

The Financial Statements have been prepared on the assumption of the Company continuing as a going concern.

This assumption stems from the fact that the parent company received a notable investment in January 2024 and that the vast majority of liabilities is in the form of a loan to this holding company, (Pluto.markets, Inc.) which has a flexible nature and easily can be converted into equity thereby bolstering the balance sheet significantly. This conversion-event is scheduled to occur during 2024.

The company continues to attract investments from leading investors globally, who continue to show strong support for our journey as a testament to the significant progress made within R&D related to the core banking infrastructure developed during the period.

2. Staff Expenses

	2023 DKK 12 months	2022 DKK 10 months
Wages and salaries	354,387	253,504
Other social security expenses	24,260	20,717
	<u>378,647</u>	<u>274,221</u>
 Average number of employees	 <u>4</u>	 <u>4</u>

3. Financial income

	2023 DKK 12 months	2022 DKK 10 months
Interest received from group enterprises	23,478	23,990
Other financial income	1,360	0
	<u>24,838</u>	<u>23,990</u>

4. Financial expenses

	2023 DKK 12 months	2022 DKK 10 months
Interest paid to group enterprises	212,504	0
Other financial expenses	0	128,280
	<u>212,504</u>	<u>128,280</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK 12 months	DKK 10 months
5. Income tax expense		
Current tax for the year	-203,347	-276,118
	<u>-203,347</u>	<u>-276,118</u>

The year's tax income includes tax refunds according to LL section 8X (the tax credit scheme) of a total in 2023 of DKK 203.347.

6. Intangible fixed assets

	Develop- ment projects in progress
	DKK
Cost at 1 January	1,603,789
Additions for the year	1,044,000
Cost at 31 December	<u>2,647,789</u>
Carrying amount at 31 December	<u>2,647,789</u>

Development projects in progress include the development of a new software platform of core banking infrastructure. The development project essentially consists of costs in the form of direct costs which are recognized based on management's measurement of total time spent per employee.

Management is of the opinion that it is technically possible to complete the development projects during execution.

It is Management's assessment that the expected future revenue streams from the assets are sufficient to cover the value of recognized developed software at the reporting date.

In 2023, Pluto.markets expensed DKK 1.044K (2022: DKK 1.255K) for development projects, primarily planning, administrative and other general overhead expenditures not meeting the recognition criteria applicable to internally generated intangible assets.

Notes to the Financial Statements

	2023	2022
	DKK	DKK
7. Investments in subsidiaries		
Cost at 1 January	650,000	400,000
Additions for the year	0	250,000
Cost at 31 December	<u>650,000</u>	<u>650,000</u>
Carrying amount at 31 December	<u>650,000</u>	<u>650,000</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
Pluto.markets Fondsmæglerselskab A/S	Copenhagen	400,000	100%	-474,257	-236,863
				<u>-474,257</u>	<u>-236,863</u>

8. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

Notes to the Financial Statements

9. Accounting policies

The Annual Report of Pluto.markets ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Correction of material misstatements

In 2023 the company has identified a classification misstatement in the financial statements for 2022.

The error affects receivables from affiliated companies negatively by DKK 250,000 and positively on the capital share in affiliated companies by DKK 250,000.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Notes to the Financial Statements

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Costs on development projects include salaries, other costs that can be directly and indirectly attributed to the company's development activities.

Development projects that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market, and where the intention is to manufacture, market or use the project, are recognized as intangible fixed assets, provided there is sufficient certainty that the capital value of the future earnings can cover production, sales and administration costs as well as the development costs themselves.

Development projects that do not meet the criteria for inclusion in the balance sheet are recognized as costs in the income statement as the costs are incurred.

Capitalized development costs are measured at cost less accumulated depreciation and write-downs or recoverable amount, if this is lower. An amount corresponding to the recognized development costs is reserved in the item "Reserve for development costs" under equity. The reserve is continuously reduced with depreciation and write-downs on the development projects.

Capitalized development costs are depreciated from the time of completion on a straight-line basis over the period in which the development work is expected to generate economic benefits. However, the depreciation period is a maximum of three years.

The most important projects concern the development of software assets, which are also depreciated over a maximum of 3 years

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits in relation to rental premises.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.