CHRISTENSEN KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET REVISIONSAKTIESELSKAB
ØSTBANEGADE 123
2100 KØBENHAVN Ø

CVR: 15 91 56 41
TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

coinify

ANNUAL REPORT

1 January - 31 December 2024

Coinify ApS
c/o ViaBill, Grønnegade 10, 1., 1107, København K
Company Reg. No. 35847995

The annual report was submitted and approved by the general meeting on the 17th June, 2025.

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Georgios Fereos
Chairman of the meeting

A member of Nexia International

REVISORGRUPPEN DANMARK

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Notes to users of the English version of this document:

This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

MANAGEMENT'S STATEMENT

Today, the Board of Directors and the Managing Director have approved the annual report of COINIFY ApS for the financial year 1 January - 31 December 2024.

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 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

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.

Copenhagen, 17th June, 2025.

Managing Director

Sharon Shalom Hadad
CEO
Signed by:
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Board of directors

Philip Van Goethem	Christian Eichen	Payam Samarghandi	Georgios Fereos
Chairman			
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of COINIFY ApS

Opinion
We have audited the financial statements of COINIFY ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion
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' 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 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.

INDEPENDENT AUDITOR'S REPORT

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 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.

- 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.

INDEPENDENT AUDITOR'S REPORT

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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 17th June, 2025.

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Kenneth Iversen
State Authorised Public Accountant
mne34390

Signed by:
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COMPANY INFORMATION

THE COMPANY	COINIFY ApS c/o ViaBill Grønnegade 10, 1. 1107 København K
	Company reg. no. 35 84 79 95 Domicile: Copenhagen Financial year: 1 January - 31 December
BOARD OF DIRECTORS	Philip Van Goethem, Chairman Christian Eichen Payam Samarghandi Georgios Fereos
MANAGING DIRECTOR	Sharon Shalom Hadad, CEO
AUDITORS	Christensen Kjæruluff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø
PARENT COMPANY	Marketcom Software LTD

MANAGEMENT’S REVIEW

Description of key activities of the company
The company's purpose is to develop and operate a business providing services related to virtual currencies such as Bitcoin or other related activities as deemed appropriate by the board of directors.

Significant changes in the company's activities and financial matters
The gross profit for the year totals DKK 33.149 thousand against DKK 24.014thousand last year. Income or loss from ordinary activities after tax totals DKK 1.713 thousand against DKK -2.840 thousand last year.

In 2024, Coinify demonstrated improvements in both its Profit & Loss performance and key operational KPI's, reflecting ongoing efforts to enhance operational efficiency and revenue generation.

Management has observed a strong correlation between the performance of the company’s on/off-ramping services and overall crypto market sentiment. Periods of low volatility or heightened fear within the crypto space tend to lead to a significant decline in transactional volumes. This dynamic contributes to a noticeable degree of monthly revenue fluctuation and increased standard deviation in performance.

To address this volatility risk, management tends to implement several strategic initiatives:

- Revenue Diversification: The company is exploring new revenue opportunities by leveraging its existing products and regulatory licenses, aiming to create more resilience in its income streams.
- Expansion of the Payments Business: Additional resources will be allocated to the payments side of the business, which has demonstrated stable performance across the year and is less exposed to the cyclical nature of crypto sentiment.

- Coinify is also cognizant of the growing competition within the industry, alongside increased adoption from clients in both B2B and B2C segments.

- To maintain a competitive edge, the company is actively enhancing its pricing models and improving customer conversion funnels. These improvements include UI/UX upgrades, the introduction of customer retention tools, and a general focus on boosting recurring client engagement.

INCOME STATEMENT

1 JANUARY - 31 DECEMBER

All amounts in DKK.

Note		2024	2023
	Gross profit	**33.149.263**	**24.013.845**
1	Staff costs	-28.749.430	-23.064.616
2	Depreciation, amortisation, and impairment	-232.892	-29.107
3	Other operating expenses	-2.481.751	-3.032.381
	Operating profit	**1.685.190**	**-2.112.259**
	Other financial income	1.591.526	74.858
4	Other financial expenses	-1.563.782	-802.986
	Pretax net profit or loss	**1.712.934**	**-2.840.387**
	Tax on net profit or loss for the year	0	0
	Net profit or loss for the year	**1.712.934**	**-2.840.387**
	Proposed distribution of net profit:		
	Transferred to retained earnings	1.712.934	0
	Allocated from retained earnings	0	-2.840.387
	Total allocations and transfers	**1.712.934**	**-2.840.387**

BALANCE SHEET AT 31 DECEMBER

All amounts in DKK.

Note	Assets	2024	2023
	Noncurrent assets		
5	Acquired concessions, patents, licenses, trademarks, and similar rights	0	5.430
6	Development projects in progress and prepayments for intangible assets	958.279	0
	Total intangible assets	958.279	5.430
7	Other fixtures, fittings, tools and equipment	507.140	212.378
	Total property, plant, and equipment	507.140	212.378
8	Other receivables	68.738	103.486
9	Deposits	336.458	0
	Total investments	405.196	103.486
	Total noncurrent assets	**1.870.615**	**321.294**
	Current assets		
10	Manufactured goods and goods for resale	14.206.330	31.393.381
	Total inventories	14.206.330	31.393.381
11	Other receivables	18.809.362	9.971.590
	Prepayments	741.127	571.162
	Total receivables	19.550.489	10.542.752
	Cash and cash equivalents	38.795.796	17.895.107
	Total current assets	**72.552.615**	**59.831.240**
	Total assets	**74.423.230**	**60.152.534**

BALANCE SHEET AT 31 DECEMBER

All amounts in DKK.

Note	Equity and liabilities	2024	2023
	Equity		
	Contributed capital	500.000	450.153
	Share premium	108.151.920	86.811.328
	Retained earnings	-89.244.863	-90.957.797
	Total equity	**19.407.057**	**-3.696.316**
	Liabilities other than provisions		
12	Subordinate loan capital	3.885.177	21.390.439
	Total long term liabilities other than provisions	3.885.177	21.390.439
	Trade payables	826.801	354.821
13	Other payables	50.304.195	42.103.590
	Total short term liabilities other than provisions	51.130.996	42.458.411
	Total liabilities other than provisions	**55.016.173**	**63.848.850**
	Total equity and liabilities	**74.423.230**	**60.152.534**
14	**Contingencies**		

STATEMENT OF CHANGES IN EQUITY

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2023	450.153	86.811.328	-88.117.440	-855.959
Retained earnings for the year	0	0	-2.840.357	-2.840.357
Equity 1 January 2024	450.153	86.811.328	-90.957.797	-3.696.316
Cash capital increase	49.847	21.340.592	0	21.390.439
Retained earnings for the year	0	0	1.712.934	1.712.934
	500.000	**108.151.920**	**-89.244.863**	**19.407.057**

NOTES

All amounts in DKK.

		2024	2023
1.	**Staff costs**		
	Salaries and wages	22.883.414	18.244.502
	Pension costs	2.011.672	1.488.003
	Other costs for social security	282.198	346.565
	Other staff costs	3.572.146	2.985.546
		28.749.430	**23.064.616**
	Average number of employees	34	28
2.	**Depreciation, amortisation, and impairment**		
	Amortisation of concessions, patents, and licences	5.430	5.423
	Depreciation of other fixtures and fittings, tools and equipment	227.462	23.684
		232.892	**29.107**

3. Other operating expenses

Other operating expenses consists of tDKK 2.482 exchange rate adjustments on the inventory of cryptocurrencies. The estimated exchange rate adjustments of cryptocurrencies is based on inventory levels in beginning of the financial year and end of financial year.

		2024	2023
4.	**Other financial expenses**		
	Financial costs, group enterprises	155.663	700.623
	Other financial costs	1.408.119	102.363
		1.563.782	**802.986**

NOTES

All amounts in DKK.

		31/12 2024	31/12 2023
5.	**Acquired concessions, patents, licenses, trademarks, and similar rights**		
	Cost 1 January 2024	54.238	54.238
	Cost 31 December 2024	**54.238**	**54.238**
	Amortisation and writedown 1 January 2024	-48.808	-43.385
	Amortisation and depreciation for the year	-5.430	-5.423
	Amortisation and writedown 31 December 2024	**-54.238**	**-48.808**
	Carrying amount, 31 December 2024	**0**	**5.430**
6.	**Development projects in progress and prepayments for intangible assets**		
	Additions during the year	958.279	0
	Cost 31 December 2024	**958.279**	**0**
	Carrying amount, 31 December 2024	**958.279**	**0**
7.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2024	962.975	903.303
	Additions during the year	540.984	59.672
	Cost 31 December 2024	**1.503.959**	**962.975**
	Depreciation and writedown 1 January 2024	-750.597	-726.913
	Amortisation and depreciation for the year	-246.222	-23.684
	Depreciation and writedown 31 December 2024	**-996.819**	**-750.597**
	Carrying amount, 31 December 2024	**507.140**	**212.378**

NOTES

All amounts in DKK.

		31/12 2024	31/12 2023
8.	**Other receivables**		
	Cost 1 January 2024	103.486	59.128
	Additions during the year	0	44.358
	Disposals during the year	-34.748	0
	Cost 31 December 2024	**68.738**	**103.486**
	Carrying amount, 31 December 2024	**68.738**	**103.486**
	Other receivables	68.738	103.486
		68.738	**103.486**
9.	**Deposits**		
	Additions during the year	336.458	0
	Cost 31 December 2024	**336.458**	**0**
	Carrying amount, 31 December 2024	**336.458**	**0**

10. Manufactured goods and goods for resale

The Inventory comprises of cryptocurrencies which are measured at cost based on the FIFOmethod less accumulated depreciation, impairment losses and costs of sale. This method of measurement is in all material aspect equal to the fair value of the inventory due to ongoing transactions of cryptocurrencies in the inventory.

The Company does not hold any cryptocurrencies for investments.

11. Other receivables

Other receivables consist of liquidity deposited with crypto partners and do not fulfill the criterias to be presented as cash. Other receivables are being used as a part of ongoing transactions with customers.

12. Subordinate loan capital

Total subordinate loan capital	**3.885.177**	**21.390.439**

NOTES

All amounts in DKK.

13. Other payables

Other payables consist of primarily trade liabilities of 18.006 tDKK which are transactions pending for settlement and merchant liabilities of 29.439 tDKK which are settled transactions pending payout to the merchant partners. The remaining part of other costs payable is regular payables to operate the Company.

14. Contingencies

Contingent liabilities

The Company is party to operating leases with durations of up to seven months, totalling tDKK 210.

ACCOUNTING POLICIES

The annual report for COINIFY 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, 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.

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.

ACCOUNTING POLICIES

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.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

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.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

ACCOUNTING POLICIES

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

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

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

Depreciation, amortisation, and writedown for impairment
Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Other operating expenses
Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities 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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

ACCOUNTING POLICIES

Statement of financial position

Intangible assets

Development projects, patents, and licences
Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 10 years.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement under amortisation and write down for impairment.

ACCOUNTING POLICIES

Property, plant, and equipment
Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

ACCOUNTING POLICIES

Leases
Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments
Deposits
Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets
The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Cryptocurrencies
IInventories comprises cryptocurrencies are measured at cost based on the FIFO method. If the net realisation value, i.e. the market price, of inventories is lower than the cost price, it shall be written down for impairment to this lower value.

Cost comprises the acquisition price, costs of directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The net realisation value is calculated as a selling price, i.e. the market price less costs incurred to effectuate sales. The net realisation value is determined with due consideration to negotiability and developments in the expected selling price.

ACCOUNTING POLICIES

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

IIn 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.

Equity

Share premium
Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

ACCOUNTING POLICIES

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.

Other payables primarily consist of payables to customers. Payables to customers are denominated in multiple currencies and translated into Danish kroner at the balance sheet date.