



Softpay ApS

Lyngbyvej 28, 3

DK-2100 Copenhagen Ø

Central Business Registration No. 41 35 22 72

Annual Report 2023

The Annual General Meeting adopted the annual report on 17 June 2024

Chairman of the General Meeting

Rikke Espe

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Company details

Company

Softpay ApS

Lyngbyvej 28, 3rd floor

DK-2100 Copenhagen Ø

Central Business Registration No: 41 35 22 72

Registered in Copenhagen

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Financial period: 1 January – 31 December

Incorporated: 11 May 2020

Board of Directors

Jan Dal Lehrmann, Chairman

Ivan Sandqvist

Jacob Ajsen

Executive Board

Ivan Sandqvist

Jacob Ajsen

Company auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK-2900 Hellerup

Bankers

Danske Bank

Finanscenter København

Holmens Kanal 2

DK-1090 Copenhagen K

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Softpay ApS for the financial year 2023.

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 financial position on 31 December 2023 for the Company and of the results of the Company's operations for 2023.

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

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

Copenhagen, 31 May 2024

Executive Board

Ivan Sandqvist

Jacob Ajsen

Board of Directors

Jan Dal Lehrmann
Chairman

Ivan Sandqvist

Jacob Ajsen

Independent Auditor's Report

To the Shareholders of Softpay ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Softpay ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

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.

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.

Independent Auditor's Report

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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.

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.

Independent Auditor's Report

- 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.

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.

Copenhagen, 31 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

René Otto Poulsen

State Authorised Public Accountant

mne26718

Management Review

The Annual Report for Softpay ApS for 2023 has been prepared in accordance with the requirements of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of requirements from medium-sized enterprises of reporting class C.

Main Activity

The Company's main activity is to develop and service Mobile Technology Platforms within the area of mobile payments.

Development in the period

The income statement for 2023 shows a loss from operations (EBITDA) of KDKK 14.454 (2022: KDKK 14.109) and a loss after tax of KDKK 16.100 (2022: KDKK 12.954). On 31 December 2023, the balance sheet shows equity of KDKK 33.290 (2022: 34.389).

The Company is in the start-up phase and has carried out significant investments in 2023 and previous years. The result for 2023 is in line with expectations and considered satisfactory.

Targets and expectations for the year ahead

The Company has carried out significant investments in previous years and will continue to do so in 2024.

Under the current market conditions, and considering the investments carried out by the Company, management believes that a positive development in the activities and operating earnings of the Company can be achieved over the coming years.

A capital increase of DKK 26m has been carried out in April 2024 and Management believes that the Company's capital resources are adequate for the coming year.

Uncertainty relating to recognition and measurement

In order to minimize the uncertainty which is inherent in the assessment and valuation of development projects and deferred tax assets, standardized measurement methods are applied, which are optimized on a current basis.

The annual report is prepared based on management's best estimates and judgments at the time of the presentation of the annual report. Reference is made to note 1 in the annual report, where uncertainties relating to recognition and measurement are further described.

Subsequent events

Reference is made to note 9.

Income statement for 2023

	Notes	2023 (KDKK)	2022 (KDKK)
Gross profit		13.667	6.309
Staff expenses	3	(28.121)	(20.418)
EBITDA		(14.454)	(14.109)
Depreciations and impairment losses		(5.569)	(2.306)
Profit/loss before financial items		(20.023)	(16.415)
Financial income		438	15
Financial expenses		(1.256)	(855)
Profit/loss before tax		(20.841)	(17.255)
Tax on profit/loss for the year	4	4.741	4.301
Net profit/loss for the year		(16.100)	(12.954)
Proposed distribution of profit/loss			
Reserve for capitalized development		3.096	4.245
Retained earnings		(19.196)	(17.199)
		(16.100)	(12.954)

Balance sheet – December 2023

	Notes	2023 (KDKK)	2022 (KDKK)
Development Projects		28.469	24.500
Other intangible assets		9	12
Intangible assets		28.478	24.512
Other fixtures and fittings, tools, and equipment		353	230
Leasehold improvements		53	0
Tangible assets		406	230
Fixed assets		28.884	24.742
Trade receivables		1.887	507
Deferred tax asset	5	9.021	5.966
Other receivables		384	565
Deferred income and prepayments	6	1.977	516
Receivables		13.269	7.554
Cash		11.636	18.103
Current assets		24.905	25.657
Assets		53.789	50.399

Balance sheet – December 2023

	Notes	2023 (KDKK)	2022 (KDKK)
Share capital	7	70	65
Retained earnings		11.014	15.214
Reserves for capitalized development		22.206	19.110
Equity		33.290	34.389
Credit institutions		9.425	13.506
Other Payables		861	808
Long-term liabilities	8	10.286	14.314
Credit institutions		5.300	0
Trade payables		1.746	596
Other payables		2.818	1.100
Prepayments	9	349	0
Short-term liabilities	8	10.213	1.696
Liabilities other than provisions		20.499	16.010
Equity, provisions, and liabilities		53.789	50.399
Accounting policies	1		
Uncertainty about recognition and measurement	2		
Subsequent events	10		

Statement of changes in equity 2023

	Share Capital KDKK	Share premium KDKK	Reserves for Devel- opment KDKK	Retained earnings KDKK	Total KDKK
Equity on 1 January	65	0	19.110	15.214	34.389
Correction to opening balance	0	0	0	1	1
Capital increase	5	14.995	0	0	15.000
Transfer of share pre- mium	0	(14.995)	0	14.995	0
Profit/loss for the year	0	0	3.096	(19.196)	(16.100)
Equity on 31 December	70	0	22.206	11.014	33.290

Notes

1 Accounting policies

The Annual Report has been prepared in accordance with the requirements of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of requirements from medium-sized enterprises of reporting class C.

Accounting policies are unchanged from previous years.

The Financial Statements for 2023 are presented in KDKK.

Recognition and measurement

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

Liabilities are recognized in the balance sheet when the Company 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 Company, and the value of the liabilities can be measured reliably.

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories, and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Notes

1 Accounting policies (continued)

Income statement (continued)

Revenue

Revenue from sale of services is recognized in the income statement when delivery is made, and risk has passed to the buyer. Revenue is recognized exclusive of VAT and net of discounts relating to sales.

Contracts of work in progress are included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method). This method is applied when total revenues, total expenses, and the stage of completion can be measured reliably at the balance sheet date, and it is probable that the economic benefits, including payments, will flow to the Company.

Cost of goods sold

Cost of goods sold includes costs incurred to achieve revenue for the year.

Other operating income and expenses

Other operating income and expenses includes income and expenses of a secondary nature relative to the Company's business.

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as other staff-related costs.

Amortization, depreciation, and impairment losses

Amortization, depreciation, and impairment losses comprise amortization, depreciation and impairment of intangible assets and property, plant, and equipment.

Financial income and expenses

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year.

Notes

1 Accounting policies (continued)

Income statement (continued)

Income taxes

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

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

Deferred tax assets, including the tax base of tax losses carried forward, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Intangible assets

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilization, 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 recognized as intangible assets. Other development costs are recognized as costs in the income statement as incurred. The cost of development projects comprises costs such as salaries and amortization that are directly and indirectly attributable to the development projects.

Completed development projects and other intangible assets are amortized on a straight-line basis using the estimated useful lives of the assets. The amortization period is five years.

Intangible assets are written down to the lower of recoverable amount and carrying amount.

Notes

1 Accounting policies (continued)

Balance sheet (continued)

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools, and equipment:	3 years
Leasehold improvements:	3 years

Useful lifetime and scrap value are reassessed annually.

Receivables

Receivables are measured at amortized cost, usually equalling nominal value less provisions for bad debts.

Prepayments (assets)

Prepayments comprise incurred costs relating to subsequent financial years.

Dividend

Dividend is recognized as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Financial debts

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

Prepayments (liabilities)

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

Notes

2 Uncertainty about recognition and measurement

Accounting uncertainties, estimates and assumptions

In the presentation of the annual report, the calculation of the carrying value of certain assets is associated with a number of judgments, estimates and assumptions about future events. These are often based on factors which, at the time of the presentation of the annual report, are considered sound and correct by management. By their very nature, these are subject to some uncertainty and unpredictability. Below some of the key estimation uncertainties and assumptions relating to the valuation of development projects and tax-assets are stated. The annual report is prepared based on management's best estimates and judgments at the time of the presentation of the annual report.

Development projects

In the annual report, development projects, with a total value of KDKK 28.469, has been recognized. The assessed valuation of development projects at the balance sheet date involves a degree of estimation uncertainties.

Development projects relates to development of operating platforms within mobile payments. The development projects are progressing in line with management's expectations.

The development projects form the basis for sales to the Company's customers.

Management regularly assesses the market opportunities for the development projects and regularly performs impairment assessments of the carrying amount of development projects.

Tax-assets

In the annual report a deferred tax asset, with a total value of KDKK 9.021, has been recognized. Tax assets are recognized to the extent it is deemed likely that they can be realized within the foreseeable future. The assessment is based on budgets and projections for the years 2024 to 2028.

Notes

	2023 (KDKK)	2022 (KDKK)
3 Staff expenses		
Salaries and wages	23.236	17.369
Pension costs	275	266
Other social security costs	301	217
Consultants and re-invoiced salaries	3.641	1.391
Other staff expenses	668	1.175
	28.121	20.418
 Average number of employees	 29	 26
 4 Tax on profit/loss for the year		
Change in deferred tax (income)	4.741	4.301
	4.741	4.301

5 Deferred tax asset

Deferred tax asset comprises of temporary differences between the carrying amount and the tax-based value of assets and liabilities and can primarily be referred to development project and tax losses carried forward.

6 Deferred income and prepayments (asset)

Prepayments comprise of accrued income (recognized in the year but invoiced in subsequent years) and costs relating to subsequent financial years.

Notes

7 Share capital

Share capital consists of 6,5m shares of a nominal value of DKK 0,01. The shares have not been divided into classes.

Changes in share capital:

	(DKK)
Incorporation 11 May 2020	40.000
Capital increase 2020	11.200
Capital increase 2021	2.560
Capital increase 2022	11.522
Capital increase 2023	4.659
	69.941

8 Debt obligations

Debt obligations due within 1 year are listed under short-term liabilities. Other liabilities are recognized under long-term debt obligations.

The debt obligations fall due in the following order:

	Credit Institu- tions (KDKK)	Other paya- bles and trade obligations (KDKK)	Total (KDKK)
After 5 years	0	861	861
Between 1-5 years	9.425	0	9.425
Long-term debt obligation	9.425	861	10.286
Within 1 year	5.300	4.913	10.213
	14.725	5.774	20.499

Notes

9 Prepayments (liability)

Prepayments under liabilities comprise of deferred income (invoiced in the year but relating to subsequent financial years).

10 Subsequent events

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

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Jacob Ajsen

Adm. direktør

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Jacob Ajsen

Bestyrelsesmedlem

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Ivan Sandqvist

Adm. direktør

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Ivan Sandqvist

Bestyrelsesmedlem

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Jan Dal Lehrmann

Bestyrelsesformand

On behalf of: Softpay ApS

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René Otto Poulsen

PRICEWATERHOUSECOOPERS STATSATORISERET

REVISIONSPARTNERSELSKAB CVR: 33771231

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

Serial number: 1bee78ce-1354-4d20-8649-b7c0589024c9

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Rikke Espe

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