

HINDENBURG SYSTEMS ApS

Knabrostræde 20 1
1210 København K

Annual report
1 January 2020 - 31 December 2020

**The annual report has been presented and
approved on the company's general meeting the**

30/06/2021

**Chris Mottes
Chairman of general meeting**

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Reporting company HINDENBURG SYSTEMS ApS
Knabrostræde 20 1
1210 København K
e-mail: sales@hindenburger.com
CVR-nr: 32359337
Reporting period: 01/01/2020 - 31/12/2020

Auditor JVBM Revision ApS Godkendte revisorer
Lyskær 8, st tv
2730 Herlev
DK Denmark
CVR-nr: 36972912
P-number: 1020599592

Statement by Management

Management has today considered and approved the annual report for the financial year 01. January 2020 - 31. December 2020 for HINDENBURG SYSTEMS ApS.

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

Management believes that the financial statements give a true and fair view of the company's assets, liabilities and financial position and of the result.

The annual report is submitted for approval by the General Assembly.

København K, the 28/06/2021

Management

Christian Linnemann Mottes

Preben Friis Simonsen

Nick Dunkerley

Independent Auditor's Report on Extended Review

To the shareholders of Hindenburgs Systems ApS

Opinion

We have performed an extended review of the financial statements of Hindenburg Systems ApS for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act. Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management 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 responsibility

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Herlev, 28/06/2021

Jens Vadekær , mne33249
State-Authorized Public Accountant
JVBM Revision ApS Godkendte revisorer
CVR: 36972912

Management's Review

Major Activities

The company's activities is to develop and sell software and related products for the production of mass media.

Reasons for any major changes in your Company's activities or economy

The year's result in 2020 is DKK 1,6 million. The year's result is considered satisfactory.

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B.

The accounting policies applied for this annual report are consistent with those applied last year.

The financial statements are presented in Danish kroner.

Recognition and measurement:

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation and write-downs, are also recognised in the income statement.

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 Company, and the value of the assets can be measured reliably.

Liabilities are recognised 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 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.

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 recognised in the income statement as financial income or financial expenses.

Gross profit:

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses', and 'Other operating income' are consolidated into one item designated 'Gross Profit'.

Revenue:

Sales of services are recognized as revenue when the service is delivered. Revenue is recognized after the discount and VAT.

Cost of raw materials and consumables:

Cost of raw materials and consumables and foreign work consumed at the time of sale.

Other external costs:

Other external expenses comprise selling, advertising, local and administration costs as well as costs of premises, bad debts and operating leases.

Staff costs:

Staff cost consist of wages, salaries, and social security costs for the company's employees.

Financial income and expenses:

These items comprise interest income and expenses and realised and unrealised capital gains and losses on transactions in foreign currencies.

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 year. The current tax rate is 22 % for this year.

Balance sheet:

Investments:

Other receivables comprise deposits, which are valued at amortised cost

Receivables:

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

Other investments

Securities and investments recognized under current assets are measured at fair value (market price) on the balance sheet date.

Prepayments:

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

Cash:

Cash consist of bank deposits and cash at bank and in hand.

Dividends:

The proposed dividends for the financial year are disclosed as a separate item in equity.

Current and deferred taxes:

Current tax payable and receivable is recognized in the balance sheet as calculated tax on the taxable income for the year, adjusted for taxes paid on account.

Deferred tax is recognized on all temporary differences between the carrying amount and tax base value of assets and liabilities. Deferred tax assets are not recognized in financial statements.

Deferred tax is recognized on the basis of the tax rules and at tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallize as current tax. The current tax rate for deferred tax is 22 %.

Liabilities:

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

Prepayments received from customers

Prepayments received from customers comprise amount received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

Income statement 1 Jan 2020 - 31 Dec 2020

	Disclosure	2020 kr.	2019 kr.
Gross profit (loss)		5,921,802	3,541,326
Employee expense	1	-3,663,992	-3,187,297
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets		-18,967	-15,072
Profit (loss) from ordinary operating activities		2,238,843	338,957
Other finance income		27,293	74,547
Other finance expenses		-175,190	-8,999
Profit (loss) from ordinary activities before tax		2,090,946	404,505
Tax expense		-461,758	-89,672
Profit (loss)		1,629,188	314,833
Proposed distribution of results			
Proposed dividend recognised in equity		300,000	150,000
Retained earnings		1,329,188	164,833
Proposed distribution of profit (loss)		1,629,188	314,833

Balance sheet 31 December 2020

Assets

	Disclosure	2020	2019
		kr.	kr.
Fixtures, fittings, tools and equipment		22,861	41,828
Property, plant and equipment		22,861	41,828
Other investments		2,000	2,000
Other receivables		85,264	85,264
Investments		87,264	87,264
Total non-current assets		110,125	129,092
Trade receivables		1,027,408	393,206
Other receivables		135	0
Deferred income assets		0	59,249
Receivables		1,027,543	452,455
Other investments		1,027,318	0
Investments		1,027,318	0
Cash and cash equivalents		2,998,902	2,282,385
Current assets		5,053,763	2,734,840
TOTAL ASSETS		5,163,888	2,863,932

Balance sheet 31 December 2020

Liabilities and equity

	Disclosure	2020	2019
		kr.	kr.
Contributed capital		166,667	166,667
Retained earnings		1,511,854	182,666
Proposed dividend		300,000	150,000
Total equity		1,978,521	499,333
Other payables, including tax payables, liabilities other than provisions		162,510	52,162
Long-term liabilities other than provisions, gross		162,510	52,162
Trade payables		21,486	19,450
Other payables, including tax payables, liabilities other than provisions		1,083,617	470,445
Payables to shareholders and management		64,958	369,932
Deferred income		1,852,796	1,452,610
Short-term liabilities other than provisions, gross		3,022,857	2,312,437
Liabilities other than provisions, gross		3,185,367	2,364,599
LIABILITIES AND EQUITY, GROSS		5,163,888	2,863,932

Disclosure of assumptions on calculation method of fair value for assets and liabilities

Disclosure

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Disclosures

1. Employee expense

	2020 kr.	2019 kr.
Wages and salaries	3,143,829	2,844,758
Post employment benefit expense	500,016	321,463
Social security contributions	20,147	21,076
	<u>3,663,992</u>	<u>3,187,297</u>

2. Disclosure of assumptions on calculation method of fair value for assets and liabilities

The fair value adjustment for the year regarding listed securities amounts to an unrealized increase in value of thousand DKK 27.

3. Disclosure of mortgages and collaterals

The Company has assumed lease obligations which at balance sheet date total thousand DKK 85 in the period of non terminability. The lease agreements are non-terminable for periods of up to 6 months.

4. Information on average number of employees

Average number of employees	2020 6
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