



CHRISTENSEN  
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

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# Cygnus Zero ApS

Øster Søgade 22, 1357 København K

Company reg. no. 36 97 20 09

## Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 12 June 2020.

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Joe Scott Hollingsworth  
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 %.



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## **Management's report**

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Today, the managing director has presented the annual report of Cygnus Zero ApS for the financial year 1 January - 31 December 2019 of Cygnus Zero ApS.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København K, 2 June 2020

**Managing Director**

Joe Scott Hollingsworth



## **Independent auditor's report**

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### **To the shareholders of Cygnus Zero ApS**

#### **Opinion**

We have audited the financial statements of Cygnus Zero ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainties concerning the company's ability to continue as a going concern**

We point out that there is considerable uncertainty as the company has lost equity. We refer to note 1 in the financial statements, which states that going concern assume that the company again achieves positive earnings, and that the necessary liquidity is made available. The financial statements are presented provided going concern, as the management expects the said conditions to be met.

Our conclusion is not modified as a result of this aspect.

#### **Responsibilities of management and those charged with governance for the financial statements**

The management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the 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, the 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 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

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### 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 the management.
- Conclude on the appropriateness of the management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.



## Independent auditor's report

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### Statement on the management commentary

The management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 2 June 2020

### Christensen Kjarulff

Company reg. no. 15 91 56 41

Peter Lund

State Authorised Public Accountant  
mne19771



## Company information

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### **The company**

Cygnus Zero ApS  
Øster Søgade 22  
1357 København K

Company reg. no. 36 97 20 09

Established: 23 July 2015

Domicile:

Financial year: 1 January 2019 - 31 December 2019

4th financial year

### **Managing Director**

Joe Scott Hollingsworth

### **Auditors**

Christensen Kjarulff  
Statsautoriseret Revisionsaktieselskab  
Store Kongensgade 68  
1264 København K

### **Parent company**

Investment Company of March 14, 2005 INC  
PO Box 908, Kirkland WA 98083-0908



## Management commentary

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### **The principal activities of the company**

Like previous years, the principal activities is management task within construction industry.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 469.623 against DKK 552.156 last year. Income or loss from ordinary activities after tax totals DKK -1.231 against DKK -66.191 last year. Management considers the net profit or loss for the year satisfactory.

### *Financial resources*

The company has lost more than 50% of its share capital, and as a result, the company is subject to the capital duty rules in the Danish Companies Act. The management expects that the share capital will be restored within 1-2 years by means of the company's future earnings, cf. note 1.

### **Events occurring after the end of the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross profit</b>	<b>469.623</b>	<b>552.156</b>
2 Staff costs	-439.644	-573.253
Depreciation and impairment of equipment	-13.849	-13.849
<b>Operating profit</b>	<b>16.130</b>	<b>-34.946</b>
Other financial income	9.055	283
3 Other financial costs	-29.463	-34.575
<b>Pre-tax net profit or loss</b>	<b>-4.278</b>	<b>-69.238</b>
Tax on net profit or loss for the year	3.047	3.047
<b>Net profit or loss for the year</b>	<b>-1.231</b>	<b>-66.191</b>
<b>Proposed appropriation of net profit:</b>		
Allocated from retained earnings	-1.231	-66.191
<b>Total allocations and transfers</b>	<b>-1.231</b>	<b>-66.191</b>



## Statement of financial position at 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>		
4 Other fixtures and fittings, tools and equipment	6.916	20.765
Total property, plant, and equipment	6.916	20.765
<b>Total non-current assets</b>	<b>6.916</b>	<b>20.765</b>
<b>Current assets</b>		
Trade receivables	214.342	215.136
Receivables from group enterprises	0	128.352
Income tax receivables	0	2.352
Other receivables	470	8.981
Total receivables	214.812	354.821
Cash on hand and demand deposits	202.019	32.867
<b>Total current assets</b>	<b>416.831</b>	<b>387.688</b>
<b>Total assets</b>	<b>423.747</b>	<b>408.453</b>



## Statement of financial position at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Equity</b>			
5	Contributed capital	50.000	50.000
6	Retained earnings	-73.846	-72.615
	<b>Total equity</b>	<b>-23.846</b>	<b>-22.615</b>
<b>Provisions</b>			
	Provisions for deferred tax	1.521	4.568
	<b>Total provisions</b>	<b>1.521</b>	<b>4.568</b>
<b>Liabilities other than provisions</b>			
	Payables to group enterprises	339.110	331.652
	Other payables	106.962	94.848
	Total short term liabilities other than provisions	446.072	426.500
	<b>Total liabilities other than provisions</b>	<b>446.072</b>	<b>426.500</b>
	<b>Total equity and liabilities</b>	<b>423.747</b>	<b>408.453</b>

### 1 Uncertainties concerning the enterprise's ability to continue as a going concern



## Notes

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All amounts in DKK.

### 1. Uncertainties concerning the enterprise's ability to continue as a going concern

Going concern assumes that the company once again achieves positive earnings and that the necessary liquidity is made available. The financial statements have been prepared subject to going concern, as the management expects the said conditions to be fulfilled.

Management expects that the share capital can be re-established by profit-making operations in the coming years.

	<u>2019</u>	<u>2018</u>
<b>2. Staff costs</b>		
Salaries and wages	433.500	562.220
Other costs for social security	3.975	6.131
Other staff costs	<u>2.169</u>	<u>4.902</u>
	<b><u>439.644</u></b>	<b><u>573.253</u></b>
Average number of employees	<u>1</u>	<u>2</u>
<b>3. Other financial costs</b>		
Financial costs, group enterprises	15.892	15.528
Other financial costs	<u>13.571</u>	<u>19.047</u>
	<b><u>29.463</u></b>	<b><u>34.575</u></b>
<b>4. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2019	<u>41.548</u>	<u>41.548</u>
<b>Cost 31 December 2019</b>	<b><u>41.548</u></b>	<b><u>41.548</u></b>
Amortisation and writedown 1 January 2019	-20.783	-6.934
Amortisation and depreciation for the year	<u>-13.849</u>	<u>-13.849</u>
<b>Amortisation and writedown 31 December 2019</b>	<b><u>-34.632</u></b>	<b><u>-20.783</u></b>
<b>Carrying amount, 31 December 2019</b>	<b><u>6.916</u></b>	<b><u>20.765</u></b>



## Notes

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All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>5. Contributed capital</b>		
Contributed capital 1 January 2019	<u>50.000</u>	<u>50.000</u>
	<u><b>50.000</b></u>	<u><b>50.000</b></u>
<b>6. Retained earnings</b>		
Retained earnings 1 January 2019	-72.615	-6.424
Retained earnings for the year	<u>-1.231</u>	<u>-66.191</u>
	<u><b>-73.846</b></u>	<u><b>-72.615</b></u>



## Accounting policies

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The annual report for Cygnus Zero 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.

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 transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

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 and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.

If the foreign group enterprises and associates meet the criteria for independent entities, their income statements are translated using an average exchange rate for the period in question and the balance sheet items are translated using the closing rate. Differences arising from translating the equity of foreign group enterprises at the beginning of the year using the closing rate are recognised directly in equity. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.



## Accounting policies

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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 writedown 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.

Translation adjustment of balances with foreign group enterprises considered part of the total investment in group enterprises are recognised directly in equity. Likewise, foreign exchange gains and losses on loans and derivatives for the currency hedging of independent foreign group enterprises are recognised directly in equity.

### Income statement

#### **Gross profit**

Gross profit comprises the revenue and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other external costs comprise costs 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. Staff costs are less government reimbursements.

#### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.



## Accounting policies

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### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

### 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.

## Statement of financial position

### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

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 when the useful lives of each individual components differ.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

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 as other operating income or other operating expenses.



## Accounting policies

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### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### **Cash on hand and demand deposits**

Cash on hand and demand deposits comprise cash at bank and on hand.

### **Income tax and deferred tax**

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities other than provisions**

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

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### Direktør

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IP: 188.180.xxx.xxx

2020-06-12 09:27:46Z

NEM ID 

## Peter Lund

### Statsautoriseret revisor

På vegne af: CHRISTENSEN KJÆRULFF STATS-AUTORISERET  
REVISIONSAKTIESELSKAB

Serienummer: CVR:15915641-RID:63039673

IP: 212.98.xxx.xxx

2020-06-12 09:30:34Z

NEM ID 

## Navnet er skjult (CPR valideret)

### Dirigent

Serienummer: PID:9208-2002-2-971208438761

IP: 188.180.xxx.xxx

2020-06-12 09:34:19Z

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