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Kystvejen 29
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CVR no. 20 22 26 70

MATCHWARE A/S
THOMAS KOPPELS GADE 30, 8000 AARHUS C
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 11 May 2023**

Ulrik Merrild

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COMPANY DETAILS

Company	MATCHWARE A/S Thomas Koppels Gade 30 8000 Aarhus C
	CVR No.: 18 37 34 32 Established: 15 February 1995 Municipality: Aarhus Financial Year: 1 January - 31 December
Board of Directors	Peter Nielsen, chairman Beatrice Annet Emmelie Merrild Ulrik Merrild
Executive Board	Ulrik Merrild
Auditor	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
Bank	Nordea Sankt Clemens Torv 2 8000 Aarhus C

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of MATCHWARE A/S for the financial year 1 January - 31 December 2022.

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 Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 11 May 2023

Executive Board

Ulrik Merrild

Board of Directors

Peter Nielsen
Chairman

Beatrice Annet Emmelie Merrild

Ulrik Merrild

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of MATCHWARE A/S

Conclusion

We have performed an extended review of the Financial Statements of MATCHWARE A/S for the financial year 1 January - 31 December 2022, which comprise income statement, Balance Sheet, statement of changes in equity 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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Conclusion

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 "Auditor'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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Extended Review of the Financial Statements

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 Commentary

Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management Commentary 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 Commentary.

Aarhus, 11 May 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Klaus Tvede-Jensen
State Authorised Public Accountant
MNE no. mne23304

MANAGEMENT COMMENTARY

Principal activities

The company's primary activity consists of development and trading of software

Development in activities and financial and economic position

Profit for the year of DKK 1,037 k is considered satisfactory.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS PROFIT		5.367.815	6.622.270
Staff costs.....	1	-4.334.591	-4.553.654
Depreciation, amortisation and impairment losses.....		-10.926	-12.435
OPERATING PROFIT		1.022.298	2.056.181
Result of equity investments in group enterprises.....		108.189	-465.633
Other financial income.....		175.911	0
Other financial expenses.....		-6.615	-8.794
PROFIT BEFORE TAX		1.299.783	1.581.754
Tax on profit/loss for the year.....	2	-263.236	-450.397
PROFIT FOR THE YEAR		1.036.547	1.131.357
PROPOSED DISTRIBUTION OF PROFIT			
Proposed dividend for the year.....		0	2.000.000
Allocation to reserve for net revaluation under the equity method.....		108.189	-465.633
Retained earnings.....		928.358	-403.010
TOTAL		1.036.547	1.131.357

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Other plant, machinery tools and equipment.....		35.852	21.087
Property, plant and equipment.....	3	35.852	21.087
Equity investments in group enterprises.....		359.610	251.421
Rent deposit and other receivables.....		60.863	60.863
Financial non-current assets.....	4	420.473	312.284
NON-CURRENT ASSETS.....		456.325	333.371
Finished goods and goods for resale.....		0	1.069.305
Inventories.....		0	1.069.305
Trade receivables.....		612.235	574.663
Receivables from group enterprises.....		8.804.542	9.348.501
Deferred tax assets.....	5	5.015	6.913
Prepayments.....		36.077	45.341
Receivables.....		9.457.869	9.975.418
Other securities and equity investments.....	6	413	413
Current investments.....		413	413
Cash and cash equivalents.....		3.951.950	2.425.729
CURRENT ASSETS.....		13.410.232	13.470.865
ASSETS.....		13.866.557	13.804.236

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK	2021 DKK
Share capital.....		842.105	842.105
Reserve for net revaluation under the equity method.....		173.626	65.437
Retained earnings.....		3.846.254	2.917.896
Proposed dividend.....		0	2.000.000
EQUITY.....		4.861.985	5.825.438
Prepayments received from customers.....		252.493	258.713
Non-current liabilities.....	7	252.493	258.713
Trade payables.....		343.872	257.145
Debt to Group companies.....		6.295.391	4.926.402
Corporation tax payable.....		261.338	449.310
Other liabilities.....		291.090	817.813
Deferred income.....		1.560.388	1.269.415
Current liabilities.....		8.752.079	7.720.085
LIABILITIES.....		9.004.572	7.978.798
EQUITY AND LIABILITIES.....		13.866.557	13.804.236
 Contingencies etc.	 8		

EQUITY

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend	Total
Equity at 1 January 2022.....	842.105	65.437	2.917.896	2.000.000	5.825.438
Proposed profit allocation.....		108.189	928.358		1.036.547
Transactions with owners					
Dividend paid.....				-2.000.000	-2.000.000
Equity at 31 December 2022.....	842.105	173.626	3.846.254	0	4.861.985

NOTES

	2022 DKK	2021 DKK	Note
Staff costs			1
Average number of employees	6	8	
Wages and salaries.....	4.075.106	4.414.785	
Pensions.....	166.999	0	
Social security costs.....	43.816	52.352	
Other staff costs.....	48.670	86.517	
	4.334.591	4.553.654	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	261.338	449.310	
Adjustment of deferred tax.....	1.898	1.087	
	263.236	450.397	
Property, plant and equipment			3
		Other plant, machinery tools and equipment	
Cost at 1 January 2022.....		138.071	
Additions.....		25.691	
Cost at 31 December 2022.....		163.762	
Depreciation and impairment losses at 1 January 2022.....		116.984	
Depreciation for the year.....		10.926	
Depreciation and impairment losses at 31 December 2022.....		127.910	
Carrying amount at 31 December 2022.....		35.852	
Financial non-current assets			4
		Equity investments in group enterprises	Rent deposit and other receivables
Cost at 1 January 2022.....	185.983		60.863
Cost at 31 December 2022.....	185.983		60.863
Revaluation at 1 January 2022.....	65.438		0
Revaluation and impairment losses for the year.....	108.189		0
Revaluation at 31 December 2022.....	173.627		0
Carrying amount at 31 December 2022.....	359.610		60.863

NOTES

Deferred tax assets **Note**
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The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets, including recognised finance lease contracts.

The amount breaks down as follows:

	Carrying Value	Tax Value	Tax depre. or amort. above carrying value
Property, plant and equipment.....	35.853	58.648	-22.795
	35.853	58.648	-22.795
Udskudte skatteaktiver.....			5.015
Deferred tax, beginning of year.....		6.913	6.913
Deferred tax of the year, income statement.....		-1.898	0
Provision for deferred tax 31 December 2022.....		5.015	6.913

The dererred tax assest will be used in 1-2 years.

Other securities and equity investments **6**

The carrying amount of current investments includes securities measured at fair value by the following amounts:

	Listed Danish equities
Fair value at 31 December 2022.....	413

There is no adjustment in 2022

Long-term liabilities **7**

	31/12 2022 total liabilities	Debt outstanding after 5 years	31/12 2021 total liabilities
Prepayments received from customers.....	252.493	0	258.713
	252.493	0	258.713

NOTES

			Note
Contingencies etc.			8
Contingent liabilities			
	2022	2021	
	DKK	DKK	
Rental liabilities			
Liabilities under rental agreements until maturity.....	105.000	94.000	

The Entity participates in a Danish joint taxation arrangement where MatchWare Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities.

ACCOUNTING POLICIES

The Annual Report of MATCHWARE A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Change resulting from reclassification misstatement

A reclassification misstatement has been identified in last year's financial statement between debt to Matchware Holding ApS and Matchware Inc. of DKK 3 million.

INCOME STATEMENT

Net revenue

Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to the related costs and only to the extent that it is likely that they will be recovered.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries

The proportional share of the results of subsidiaries, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

ACCOUNTING POLICIES

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

Consolidated Financial Statements

Due to the Annual Account Act, §110 the Consolidated Financial Statements has not been prepared.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets

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

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
<i>Other plant, fixtures and equipment.....</i>	<i>3-5 years</i>	<i>0 %</i>

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Financial non-current assets

Investments in Equity interests in are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Equity investments in are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiary's subsidiaries deficit.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct production cost.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Securities

Securities recognised as current assets, comprise public quoted bonds, shares and other securities. Public quoted securities are measured at the market price. Non-quoted equity interests are measured at cost price. Other securities are measured at cost price in so far as an approximate sales value cannot be stated reliably.

ACCOUNTING POLICIES

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.