



**ETSS Group A/S
Flæsketorvet 68, 1.
1711 København V**

CVR NO: 29388601

**Annual Report
1. januar 2022 til 31. december 2022**

Approved at the annual General Meeting of the Company on 6 July 2023

Chairman of the meeting



TABLE OF CONTENTS

Statements and reports

Management's statement.....	3
Independent auditor's report.....	4

Management commentary and other company details

Company information.....	6
Management commentary	7

Financial statements 1. januar - 31. december 2022

Income statement.....	8
Balance sheet	9
Statement of changes in equity	11
Notes.....	12
Accounting policies	14



MANAGEMENT'S STATEMENT

Today the Board of Directors and the Executive Board have discussed and approved the Annual Report of ETSS Group A/S for the period 1. januar - 31. december 2022.

The Annual Report has been prepared in conformity with the Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. december 2022 and of its financial performance for the period 1. januar - 31. december 2022.

In our opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual Report be approved by the Annual General Meeting.

Copenhagen, 6 July 2023

Directors

Karl Olof Fredrik Skarke

Bord of Directors

Karl Olof Fredrik Skarke

Nils Johan Nyrén

Rebecka Sofia Sjöblom



INDEPENDENT AUDITOR'S REPORT

To the shareholders in ETSS Group A/S

Disclaimer of conclusion

We have been engaged to audit the financial statements of ETSS Group A/S for the financial year ended 31. december 2022, comprising the income statement, the balance sheet and notes, including the accounting policies. The financial statements have been prepared in conformity with the Financial Statements Act.

We express no opinion on the financial statements. Because of the significance of the matter described in the Basis for disclaimer of opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the financial statements.

Basis for disclaimer of conclusion

The company has acquired patents and licenses which is recognized in the Companys balance sheet with a book value of DKK 13.307.458. We have not been provided with evidence, that this intangible asset can be utilized in the future and thus it is our opinion that the asset has a book value of DKK 0. Depreciation will be affected by DKK 13.307.458 affecting profit/loss with DKK 13.307.458.

The Companys trade receivables are recognized in the balance sheet with a book value of 13.429.906. Of this DKK 13.307.458 relates to patents and licenses acquired in 2022 and subsequently sold. A debt of the same amount has been recorded under trade creditors for the acquisition of other patents and licenses from the same company. No payments have been made on either accounts. It is our opinion that trade receivables are overstated by DKK 13.307.458 affecting profit/loss with DKK 13.307.458.

The Company has a deferred tax asset recognized in the Companys balance sheet with a value of DKK 3.271.220. It is our understanding that the deferred tax asset no longer adhere to the recognition criterion for deferred tax assets, thus the deferred tax asset have a value of DKK 0. Taxexpenses will be affected by DKK 3.271.220 affecting the profit/loss negatively with DKK 3.271.220.

Material uncertainties about ability to continue as a going concern

We point out that there is a significant uncertainty that may raise significant doubts about the company's ability to continue operations. We refer to note 1 in the accounts, in which it is management's assessment that ETSS Group A/S's operations can generate the necessary liquidity, to pay debt when due.

We have not been able to obtain adequate and sufficient audit evidence to support that ETSS A/S will be able to pay debt when due. As a consequence we do not agree with management assumption, that the financial statement has been prepared using the going concern basis of accounting.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of financial statements in conformity with the Danish Financial Statements Act. Management is also responsible for the internal control that it deems necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT

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 responsible for auditing the financial statements

Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing and relevant legal and regulatory requirements in Denmark. However, because of the matter described in the Basis for disclaimer of opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the financial statements.

We are independent of the company as set out in the International Ethics Standards Board for Accountants' international guidelines for the ethical conduct of auditors (IESBA Code) and the additional ethical requirements that apply in Denmark, just as we have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code.

Statement on the Management's review

As appears from the Basis for disclaimer of opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the financial statements. As a result, we have also not been able to issue an opinion on the management report.

Odense M, 6 July 2023
Revisionsfirmaet Axel Gram I/S
CVR-No.: 16645699

Morten Damgaard Møller
Statsautoriseret revisor
mne23413



COMPANY INFORMATION

The Company

ETSS Group A/S
Flæsketorvet 68, 1.
1711 København V

CVR-no.: 29 38 86 01
Founded: 13. februar 2006
Financial year: 1. januar - 31. december

Board of directors

Karl Olof Fredrik Skarke
Nils Johan Nyrén
Rebecka Sofia Sjöblom

Executive board

Karl Olof Fredrik Skarke

Bank

Nordea Danmark
Helgeshøj Alle 33
2630 Taastrup

Auditors

Revisionsfirmaet Axel Gram I/S
Bredbjergvej 46
5230 Odense M



MANAGEMENT COMMENTARY

Main activities of the Company

The company's purpose is to develop and use IT systems to support customers in travel and service companies.

Development in the activities and the financial situation of the Company

The Company has continued its operations. No significant one-off events occurred in the financial year that need to be included in the management commentary.

The performance and results for the year are considered not satisfactory.

Material events after the reporting date

No events have occurred after the reporting date that may materially affect the financial position of the company.

**INCOME STATEMENT**
1. JANUAR - 31. DECEMBER 2022

	2022	2021 tkr.
GROSS PROFIT	-58.210	1.334
2 Staff costs	-14.862	-63
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment.....	-1.012.264	-1.022
OPERATING PROFIT OR LOSS	-1.085.336	249
Other financial income	261.068	9
Other financial expenses.....	-161.502	-11
PROFIT OR LOSS BEFORE TAX	-985.770	247
PROFIT OR LOSS FOR THE YEAR	-985.770	247
PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	-985.770	247
SETTLEMENT OF DISTRIBUTION TOTAL	-985.770	247

**BALANCE SHEET AT 31. DECEMBER 2022****ASSETS**

	2022	2021 tkr.
3 Research and development costs	0	373
3 Patents and licenses	13.307.458	0
3 Goodwill	0	639
Intangible assets	13.307.458	1.012
4 Other plant, fixtures and operating equipment	0	0
Property, plant and equipment	0	0
NON-CURRENT ASSETS	13.307.458	1.012
Trade receivables	13.429.906	3.878
Other receivables	10.155	12
Deferred tax asset	3.271.220	3.271
Receivables	16.711.281	7.161
Cash	5.718	68
CURRENT ASSETS	16.716.999	7.229
ASSETS	30.024.457	8.241



BALANCE SHEET AT 31. DECEMBER 2022
EQUITY AND LIABILITIES

	2022	2021 tkr.
Contributed capital	500.000	500
Reserve for development costs	291.146	291
Retained earnings	237.705	1.224
EQUITY	1.028.851	2.015
Amounts owed to group enterprises	762.431	964
Long-term payables	762.431	964
Trade creditors	28.232.227	5.262
Other accounts payable	948	0
Short-term payables	28.233.175	5.262
PAYABLES	28.995.606	6.226
EQUITY AND LIABILITIES	30.024.457	8.241



STATEMENT OF CHANGES IN EQUITY

	2022	2021 tkr.
Contributed capital opening.....	500.000	500
Contributed capital closing balance.....	500.000	500
Reserve for development costs opening	291.146	582
Development costs for the year	0	-291
Reserve for development costs closing balance.....	291.146	291
Retained earnings at beginning of period.....	1.223.475	686
Profit or loss for the year	-985.770	247
Development costs of the year.....	0	291
Retained earnings closing balance	237.705	1.224
EQUITY	1.028.851	2.015



NOTES

	2022	2021 tkr.
1 Uncertainty regarding the going concern status		
<p>The going concern of the company is managed by the established adequate and balanced agreements with suppliers, sales partners and creditors.</p> <p>Sales activities as well as logistic services are carried out by partners which will be compensated on a 100% performance basis. Revenues will be generated by the marketing and sales of the unique BioCCS Co2 product, by the modular exhibition product and by IT services targeting the B2B companies within the travel industry.</p> <p>Therefore, the financial and operational risks facing the company are controlled and minimal.</p>		
2 Staff costs		
Number of people employed	0	1
Wages and salaries.....	0	50
Pensions	0	8
Other social security costs	14.862	5
	<hr/>	<hr/>
Staff costs total	14.862	63
	<hr/> <hr/>	<hr/> <hr/>



NOTES

	Research and development costs	Patents and licenses	Goodwill
3 Intangible assets			
Cost at beginning of period	1.866.320	0	3.195.000
Additions during the year	0	26.614.916	0
Disposals during the year	0	-13.307.458	0
	<hr/>	<hr/>	<hr/>
Cost 31. december 2022	1.866.320	13.307.458	3.195.000
	<hr/>	<hr/>	<hr/>
Amortisation, depreciation and impairment losses at beginning of period	-1.493.056	0	-2.556.000
Amortisation, depreciation and impairment losses for the year	-373.264	0	-639.000
	<hr/>	<hr/>	<hr/>
Amortisation, depreciation and impairment losses 31. december 2022	-1.866.320	0	-3.195.000
	<hr/>	<hr/>	<hr/>
Intangible assets total	0	13.307.458	0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			Other plant, fixtures and operating equipment
4 Property, plant and equipment			
Cost at beginning of period			110.834
			<hr/>
Cost 31. december 2022			110.834
			<hr/>
Amortisation, depreciation and impairment losses at beginning of period			-110.834
			<hr/>
Amortisation, depreciation and impairment losses 31. december 2022			-110.834
			<hr/>
Property, plant and equipment total			0
			<hr/> <hr/>



ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of ETSS Group A/S for the financial year 2022 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises combined with a few rules on class C enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, accounts payable and other monetary items denominated in a foreign currency, but not settled at the reporting date, are translated at the exchange rates ruling at the reporting date.

Exchange rate differences between the exchange rates at the reporting date and the date of the individual transaction are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

Gross profit

Gross profit is a combination of the items of 'Revenue, Other operating income, Cost of raw materials and consumables and Other external costs.



ACCOUNTING POLICIES

Revenue

Revenue from the services performed is recognised when the sales transaction is through, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company. Revenue is recognised exclusive of VAT and net of sales discounts.

Other operating income

Other operating income includes items relating to activities secondary to the main activity of the enterprise.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

BALANCE SHEET

Intangible assets

Development projects

Development costs comprise costs, including wages, salaries and amortisation, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalised development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortisation and the recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated economic life after completion of the development work. The amortisation period is 5 years.

Gains or losses arising from the disposal of capitalised development costs are determined as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Patents and licences

Patents and licences are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortisation and the recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the contract period, but not more than X



ACCOUNTING POLICIES

years.

Gains or losses arising from the sale of patents and licences are determined as the difference between the selling prices less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Goodwill

Acquired goodwill is measured at cost on initial recognition and subsequently at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its estimated economic life of 5 years.

Property, plant and equipment

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of a composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<u>User time</u>	<u>Residual value</u>
Tools and equipment	3-5 years	0 %

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Impairment losses relating to non-current assets

The carrying amounts of intangible assets and property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down



ACCOUNTING POLICIES

to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Where the independent value in use of goodwill, domiciles and other assets cannot be determined because the assets do not themselves generate future cash flows, the assets will be grouped with the group of assets to which they are attributable for impairment testing.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Impairment of accounts receivable past due is established on individual assessment of receivables.

Corporate income tax and deferred tax

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

Deferred tax is measured using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

Deferred tax is measured based on the tax rules and tax rates applicable when the deferred tax is expected to crystallise as current tax according to the legislation in force at the reporting date. Any change in deferred tax as a result of changes in the tax rates is recognised in the income statement.

Payables

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.

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FREDRIK SKARKE

Direktør

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FREDRIK SKARKE

Bestyrelsesmedlem

Serienummer: 19720923xxxx

IP: 5.150.xxx.xxx

2023-07-06 13:49:54 UTC



JOHAN NYRÉN

Bestyrelsesmedlem

Serienummer: 19660801xxxx

IP: 83.250.xxx.xxx

2023-07-06 17:52:49 UTC



REBECKA SJÖBLOM

Bestyrelsesmedlem

Serienummer: 19830223xxxx

IP: 90.129.xxx.xxx

2023-07-07 10:28:06 UTC



Morten Damgaard Møller

Statsautoriseret revisor

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2023-07-07 11:55:09 UTC



FREDRIK SKARKE

Dirigent

Serienummer: 19720923xxxx

IP: 5.150.xxx.xxx

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