# EUPRY ApS

Dortheavej 59, 3.
DK-2400 København NV

CVR no. 30 53 66 65

## Annual report 2020/21

The annual report was presented and approved at the Company's annual general meeting on

3 December 2021

Christian Elster Jacobsen
Chairman

# Contents

# Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of EUPRY ApS for the financial year 1 July 2020 – 30 June 2021.

The annual report has been prepared 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 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 – 30 June 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 3 December 2021
Executive Board:

Christian Elster Jacobsen

Board of Directors:

| | | |
|---|---|---|
| Steen Ulf Jensen<br>Chairman | Andreas Kløv | Christian Elster Jacobsen |
| Noam Groot Ritov | Andreas Green Rasmussen | Lars Holger Dalgaard<br>Andersen |

# Independent auditor's report

## To the shareholders of EUPRY ApS

## Opinion

We have audited the financial statements of EUPRY ApS for the financial year 1 July 2020 – 30 June 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared 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 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 – 30 June 2021 in accordance with the Danish Financial Statements Act.

## 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' 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

## 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 audit 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 audit, 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 of the Management's review.

Copenhagen, 3 December 2021
**KPMG**
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

# Management's review

## Company details

EUPRY ApS
Dortheavej 59, 3.
2400 København NV

| | |
|---|---|
| CVR no.: | 30 53 66 65 |
| Established: | 28 May 2014 |
| Registered office: | Copenhagen |
| Financial year: | 1 July – 30 June |

### Board of Directors

Steen Ulf Jensen, Chairman
Andreas Kløv
Christian Elster Jacobsen
Noam Groot Ritov
Andreas Green Rasmussen
Lars Holger Dalgaard Andersen

### Executive Board

Christian Elster Jacobsen,

### Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

# Management's review

## Operating review

### Principal activities

The company's purpose is to conduct business with trade, production, development, and thus affiliate activities, as well as consulting.

### Development in activities and financial position

The Company's income statement for 2020/21 shows a profit of DKK -459,742 as against DKK 1,066,861 in 2019/20. Equity in the Company's balance sheet at 30 June 2021 stood at DKK -271,934 as against DKK -312,194 at 30 June 2020.

### Events after the balance sheet date

The Company has re-established its share capital in November 2021 by capital increase.
Besides this no events of material significance have occurred after the closing of the financial year.

### Material uncertainties regarding going concern

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. The Company has re-established its share capital in November 2021 by capital increase. Further, it is Management's assessment that the capital will be strengthened through future gains additional funding.

# Financial statements 1 July – 30 June

## Income statement

| DKK | Note | 2020/21 | 2019/20 |
|---|---|---|---|
| **Gross profit** | | 3,999,313 | 2,357,880 |
| Staff costs | 3 | -3,713,766 | -1,528,121 |
| Depreciation | | -630,378 | -236,666 |
| **Profit/loss before financial income and expenses** | | -344,831 | 593,093 |
| Other financial income | | 0 | 553 |
| Other financial expenses | | -499,524 | -446,130 |
| **Profit/loss before tax** | | -844,355 | 147,516 |
| Tax on profit/loss for the year | 4 | 384,613 | 919,345 |
| **Profit/loss for the year** | | -459,742 | 1,066,861 |

### Proposed profit appropriation/distribution of loss

| | | | |
|---|---|---|---|
| Other reserves | | 1,159,762 | 801,143 |
| Retained earnings | | -1,619,504 | 265,718 |
| | | -459,742 | 1,066,861 |

# Financial statements 1 July – 30 June

## Balance sheet

| DKK | Note | 30/6 2021 | 30/6 2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| **Intangible assets** | | | |
| Completed development projects | | 1,997,073 | 2,258,438 |
| Development projects in progress | | 3,451,972 | 1,703,733 |
| | | 5,449,045 | 3,962,171 |
| **Property, plant and equipment** | | | |
| Fixtures and fittings, tools and equipment | | 759,093 | 0 |
| **Investments** | | | |
| Deposits | | 94,669 | 94,669 |
| **Total fixed assets** | | 6,302,807 | 4,056,840 |
| **Current assets** | | | |
| **Inventories** | | | |
| Finished goods and goods for resale | | 520,100 | 254,989 |
| **Receivables** | | | |
| Trade receivables | | 1,241,729 | 1,249,562 |
| Other receivables | | 418 | 0 |
| Corporation tax | | 658,128 | 569,236 |
| | | 1,900,275 | 1,818,798 |
| **Cash at bank and in hand** | | 3,305,662 | 1,108,005 |
| **Total current assets** | | 5,726,037 | 3,181,792 |
| **TOTAL ASSETS** | | 12,028,844 | 7,238,632 |

# Financial statements 1 July – 30 June

## Balance sheet

| DKK | Note | 30/6 2021 | 30/6 2020 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Contributed capital | | 79,879 | 78,892 |
| Share premium | | 4,248,786 | 3,749,772 |
| Reserve for development costs | | 4,250,256 | 3,090,493 |
| Retained earnings | | -8,850,855 | -7,231,351 |
| **Total equity** | | -271,934 | -312,194 |
| **Liabilities** | | | |
| **Non-current liabilities** | 5 | | |
| Other credit institutions | | 5,360,227 | 3,771,643 |
| **Current liabilities** | | | |
| Other credit institutions, current liabilities | 5 | 228,773 | 228,357 |
| Trade payables | | 942,832 | 521,052 |
| Other payables | | 2,602,706 | 875,617 |
| Deferred income | | 3,166,240 | 2,154,157 |
| | | 6,940,551 | 3,779,183 |
| **Total liabilities** | | 12,300,778 | 7,550,826 |
| **TOTAL EQUITY AND LIABILITIES** | | 12,028,844 | 7,238,632 |

| | |
|---|---|
| **Disclosure of material uncertainties regarding going concern** | 2 |
| **Contractual obligations, contingencies, etc.** | 6 |

# Financial statements 1 July – 30 June

## Statement of changes in equity

| DKK | Contributed capital | Share premium | Reserve for development costs | Retained earnings | Total |
|---|---|---|---|---|---|
| Equity at 1 July 2020 | 78,892 | 3,749,772 | 3,090,493 | -7,231,351 | -312,194 |
| Cash capital increase | 987 | 499,014 | 0 | 0 | 500,001 |
| Transferred over the distribution of loss | 0 | 0 | 1,159,763 | -1,619,504 | -459,741 |
| **Equity at 30 June 2021** | 79,879 | 4,248,786 | 4,250,256 | -8,850,855 | -271,934 |

# Financial statements 1 July – 30 June

## Notes

### 1 Accounting policies

The annual report of EUPRY ApS for 2020/21 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

# Financial statements 1 July – 30 June

## Notes

1 **Accounting policies (continued)**

## Income statement

### Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

### Revenue

Revenue from the sale of services, is recognised on a straight-line basis in the income statement as the services are provided.

### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding payables and transactions denominated in foreign currencies.

### Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

# Financial statements 1 July – 30 June

## Notes

### 1 Accounting policies (continued)

## Balance sheet

### Intangible assets

*Development projects*

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of development work, development costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 10 years.

### Investments

Other receivables and deposits are recognised at amortised cost.

### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

| | |
|---|---|
| Fixtures and fittings, tools and equipment | 4 years |

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement.

# Financial statements 1 July – 30 June

## Notes

### 1 Accounting policies (continued)

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

### Impairment of fixed assets

The carrying amount of intangible assets and property plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

### Cash at bank and in hand

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

# Financial statements 1 July – 30 June

## Notes

### 1 Accounting policies (continued)

### Equity

*Reserve for development costs*

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

### Liabilities

Other liabilities are measured at net realisable value.

### Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

# Financial statements 1 July – 30 June

## Notes

### 2 Material uncertainties regarding going concern

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. The Company has re-established its share capital in November 2021 by capital increase. Further, it is Management's assessment that the capital will be strengthened through future gains additional funding.

| DKK | 2020/21 | 2019/20 |
|---|---|---|

### 3 Staff costs

| | | |
|---|---|---|
| Wages and salaries | 4,996,191 | 2,506,779 |
| Pensions | 111,309 | 98,159 |
| Other social security costs | 75,266 | 66,575 |
| Other staff costs | 0 | 96,608 |
| | 5,182,766 | 2,768,121 |
| Average number of full-time employees | 12 | 7 |

Hereof 1,469,000 kr. (2019/20: 1,240,000 kr.) has been recognised as development costs.

### 4 Tax on profit/loss for the year

| | | |
|---|---|---|
| Current tax for the year | -384,613 | -273,631 |
| Adjustment of deferred tax concerning previous years | 0 | -645,714 |
| | -384,613 | -919,345 |

### 5 Non-current liabilities

| DKK | Total debt at 30/06 2021 | Repayment, first year | Outstanding debt after five years |
|---|---|---|---|
| Other credit institutions | 5,589,000 | 228,773 | 400,000 |
| | 5,589,000 | 228,773 | 400,000 |

### 6 Contractual obligations, contingencies, etc.

#### Operating lease obligations

The Company has entered into operating leases with a remaining term of 6 months and an average monthly lease payments of DKK 18 thousand, totalling DKK 107 thousand.

Remaining operating lease obligations at the balance sheet date fall due at DKK 107 thousand within 1 years (2019/20: DKK 123 thousand).