
EDR&MEDESO ApS

Slotsmarken 10, 2., DK-2970 Hørsholm

Annual Report for 2022

CVR No. 34 08 78 65

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 7/3 2023

Mark Milton
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Management's Review	
Company information	4
Management's review	5
Financial Statements	
Income statement 1 January - 31 December	6
Balance sheet 31 December	7
Statement of changes in equity	9
Notes to the Financial Statements	10

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of EDR&MEDESO ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hørsholm, 7 March 2023

Executive Board

Mark Milton Jensen

Board of Directors

John Nyheim
Chairman

Anne Pernilla Kristina Dennerås

Juuso Aleksanteri Nänimäinen

Independent Auditor's report

To the shareholder of EDR&MEDESO ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company 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.

We have audited the Financial Statements of EDR&MEDESO ApS 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").

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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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.

Independent Auditor's report

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 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 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 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 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 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.

Trekantområdet, 7 March 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Lasse Berg

State Authorised Public Accountant

mne35811

Morten Jacobsen

State Authorised Public Accountant

mne44140

Company information

The Company	EDR&MEDESO ApS Slotsmarken 10, 2. DK-2970 Hørsholm CVR No: 34 08 78 65 Financial period: 1 January - 31 December Municipality of reg. office: Hørsholm
Board of Directors	John Nyheim, chairman Anne Pernilla Kristina Dennerås Juuso Aleksanteri Nänimäinen
Executive board	Mark Milton Jensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 7100 Vejle

Management's review

Key activities

The company's most important activities are sale, education, advisory and consultancy services within computer-based product development and simulation.

Development in the year

The income statement of the Company for 2022 shows a profit of DKK 3,025,726, and at 31 December 2022 the balance sheet of the Company shows positive equity of DKK 16,131,934.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
Gross profit		22,510,614	27,020,691
Staff expenses	1	-18,357,063	-16,534,345
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-257,365	-248,226
Profit/loss before financial income and expenses		3,896,186	10,238,120
Financial income	3	12,672	0
Financial expenses	4	-10,540	-129,596
Profit/loss before tax		3,898,318	10,108,524
Tax on profit/loss for the year	5	-872,592	-2,243,276
Net profit/loss for the year		3,025,726	7,865,248

Distribution of profit

	2022	2021
	DKK	DKK
Proposed distribution of profit		
Proposed dividend for the year	4,000,000	0
Retained earnings	-974,274	7,865,248
	3,025,726	7,865,248

Balance sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Goodwill		494,883	708,519
Intangible assets	6	494,883	708,519
Other fixtures and fittings, tools and equipment		55,845	99,575
Property, plant and equipment	7	55,845	99,575
Deposits	8	181,600	179,985
Fixed asset investments		181,600	179,985
Fixed assets		732,328	988,079
Trade receivables	9	35,667,534	26,087,019
Receivables from group enterprises		842,038	471,528
Deferred tax asset		19,301	0
Corporation tax		70,358	0
Prepayments		236,201	288,927
Receivables		36,835,432	26,847,474
Cash at bank and in hand		2,697,458	8,804,501
Current assets		39,532,890	35,651,975
Assets		40,265,218	36,640,054

Balance sheet 31 December

Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		80,000	80,000
Reserve for development costs		0	35,746
Retained earnings		12,051,934	12,990,462
Proposed dividend for the year		4,000,000	0
Equity		16,131,934	13,106,208
Provision for deferred tax		0	3,749
Provisions		0	3,749
Trade payables		16,844,396	15,577,661
Payables to group enterprises		478,981	718,143
Corporation tax		0	128,746
Other payables		6,809,907	7,105,547
Short-term debt		24,133,284	23,530,097
Debt		24,133,284	23,530,097
Liabilities and equity		40,265,218	36,640,054
Contingent assets, liabilities and other financial obligations	10		
Related parties	11		
Accounting Policies	12		

Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	80,000	35,746	12,990,462	0	13,106,208
Depreciation, amortisation and impairment for the year	0	-35,746	35,746	0	0
Net profit/loss for the year	0	0	-974,274	4,000,000	3,025,726
Equity at 31 December	80,000	0	12,051,934	4,000,000	16,131,934

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	14,937,918	14,311,518
Pensions	2,031,550	1,469,720
Other social security expenses	151,408	142,715
Other staff expenses	1,236,187	610,392
	<u>18,357,063</u>	<u>16,534,345</u>
 Average number of employees	 <u>20</u>	 <u>19</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	213,636	199,590
Depreciation of property, plant and equipment	43,729	48,636
	<u>257,365</u>	<u>248,226</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
3. Financial income		
Interest received from group enterprises	12,665	0
Other financial income	7	0
	<u>12,672</u>	<u>0</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
4. Financial expenses		
Other financial expenses	10,540	129,272
Exchange adjustments, expenses	0	324
	<u>10,540</u>	<u>129,596</u>

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK
5. Income tax expense		
Current tax for the year	895,642	2,223,320
Deferred tax for the year	-23,050	1,817
Adjustment of deferred tax concerning previous years	0	18,139
	<u>872,592</u>	<u>2,243,276</u>

6. Intangible fixed assets

	<u>Goodwill</u>
	DKK
Cost at 1 January	<u>2,292,180</u>
Cost at 31 December	<u>2,292,180</u>
Impairment losses and amortisation at 1 January	1,583,661
Amortisation for the year	<u>213,636</u>
Impairment losses and amortisation at 31 December	<u>1,797,297</u>
Carrying amount at 31 December	<u>494,883</u>
Amortised over	<u>5 years</u>

Notes to the Financial Statements

7. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	356,206
Cost at 31 December	356,206
Impairment losses and depreciation at 1 January	256,631
Depreciation for the year	43,730
Impairment losses and depreciation at 31 December	300,361
Carrying amount at 31 December	55,845
Amortised over	3-5 years

8. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	179,985
Additions for the year	1,615
Cost at 31 December	181,600
Carrying amount at 31 December	181,600

2022	2021
DKK	DKK

9. Receivables

The following receivables fall due for payment more than 1 year after year end:

Trade receivables	0	976,657
	0	976,657

Notes to the Financial Statements

10. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

The company has signed a lease with a total commitment of TDKK 548.

11. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company

<u>Name</u>	<u>Place of registered office</u>
BluArc Holding AB	Västerås, Sweden

Notes to the Financial Statements

12. Accounting policies

The Annual Report of EDR&MEDESO ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Net sales

Revenue is measured at the consideration received, reduced by the fee paid to the vendor of the software as the company is an agent in recognizing revenues from selling software. Further revenue is recognized exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

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

Other external expenses

Other external expenses comprise cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Notes to the Financial Statements

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
--	-----------

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

Other fixed asset investments

Fixed asset investments consist of receivables from group enterprises, deposits and other receivables

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning costs incurred relating to the subsequent financial year.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.