

# **WEXER VIRTUAL - DENMARK ApS**

Diskovej 12,

7100 Vejle

CVR No. 34732574

## **Annual Report 2023**

11. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 25 June 2024

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Paul Benjamin Bowman  
Chairman

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## Management's Statement

Today, Management has considered and adopted the Annual Report of WEXER VIRTUAL - DENMARK ApS for the financial year 1 January 2023 - 31 December 2023.

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

In my opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In my opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

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

Vejle, 25 June 2024

### Executive Board

Paul Benjamin Bowman  
Manager

## WEXER VIRTUAL - DENMARK ApS

### Company details

|                        |   |
|------------------------|---|
| <b>Company</b>         | WEXER VIRTUAL - DENMARK ApS<br>Diskovej 12,<br>7100 Vejle |
| CVR No.                | 34732574  |
| Date of formation      | 1 November 2012   |
| Registered office      | Vejle   |
| Financial year         | 1 January 2023 - 31 December 2023                         |
| <b>Executive Board</b> | Paul Benjamin Bowman                                      |

## Management's Review

### The Company's principal activities

The Company's principal activities consist in trade, industry and associated activities.

### Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -1.448.737 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 6.900.491 and an equity of DKK -1.665.281.

### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

### Uncertainties relating to going concern

The company's ability to service all liabilities as they mature depends on continuing support from group enterprises. The company expects payables to group enterprises only to be payable if necessary liquidity is at hand or necessary credit lines to be available from group enterprises. As a consequence Management assess, that necessary funds are available to continue the operations on going concern basis for the upcoming year.

## Accounting Policies

### Reporting Class

The annual report of WEXER VIRTUAL - DENMARK ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The annual report is presented in Danish kroner.

## General information

### Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

## Accounting Policies

### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

### Change in inventories of finished goods and work in progress

The changes in inventories of finished goods and work in progress consist a shift in inventories.

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

### Other external expenses

Other external expenses include expenses for administration, etc.

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

### Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

### Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

### Financial income and expenses

Financial income are recognised in the income statement based at the amounts that concern the financial year. Financial income include interest revenue, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

### Tax on net profit for the year/ loss of the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

## Accounting Policies

### Balance sheet

#### Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 10 years. Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

#### Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

#### Deposits

Deposits are measured at cost.

#### Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

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



## Accounting Policies

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### Provisions

#### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

#### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

#### Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

#### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Income Statement

|  | Note | 2023<br>kr.       | 2022<br>kr.      |
|--|------|-------------------|------------------|
| <b>Gross profit</b>  |      | <b>2.058.322</b>  | <b>2.241.244</b> |
| Employee benefits expense  |      | -2.243.078        | -2.232.257       |
| Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss |      | -616.102          | -593.300         |
| <b>Profit from ordinary operating activities</b>   |      | <b>-800.858</b>   | <b>-584.313</b>  |
| Other finance income   | 3    | -743.958          | 759.223          |
| <b>Profit from ordinary activities before tax</b>  |      | <b>-1.544.816</b> | <b>174.910</b>   |
| Tax expense on ordinary activities   |      | 96.079            | -38.480          |
| <b>Profit</b>  |      | <b>-1.448.737</b> | <b>136.430</b>   |
| <b>Proposed distribution of results</b>  |      |                   |                  |
| Retained earnings  |      | -1.448.737        | 136.430          |
| <b>Distribution of profit</b>  |      | <b>-1.448.737</b> | <b>136.430</b>   |

## Balance Sheet as of 31 December

|   | Note | 2023<br>kr.      | 2022<br>kr.       |
|---|------|------------------|-------------------|
| <b>Assets</b>                                 |      |                  |                   |
| Completed development projects                | 5    | 3.316.599        | 3.782.468         |
| <b>Intangible assets</b>                      |      | <b>3.316.599</b> | <b>3.782.468</b>  |
| Fixtures, fittings, tools and equipment       | 6    | 58.377           | 13.944            |
| <b>Property, plant and equipment</b>          |      | <b>58.377</b>    | <b>13.944</b>     |
| Deposits                                      |      | 48.000           | 48.000            |
| <b>Investments</b>                            |      | <b>48.000</b>    | <b>48.000</b>     |
| <b>Fixed assets</b>                           |      | <b>3.422.976</b> | <b>3.844.412</b>  |
| Short-term receivables from group enterprises |      | 3.146.230        | 6.494.830         |
| Prepayments for goods                         |      | 126.509          | 156.663           |
| Other short-term receivables                  |      | 280              | 41.700            |
| <b>Receivables</b>                            |      | <b>3.273.019</b> | <b>6.693.193</b>  |
| <b>Cash and cash equivalents</b>              |      | <b>204.496</b>   | <b>385.045</b>    |
| <b>Current assets</b>                         |      | <b>3.477.515</b> | <b>7.078.238</b>  |
| <b>Assets</b>                                 |      | <b>6.900.491</b> | <b>10.922.650</b> |

## Balance Sheet as of 31 December

|  | Note | 2023<br>kr.       | 2022<br>kr.       |
|--|------|-------------------|-------------------|
| <b>Liabilities and equity</b>                                |      |                   |                   |
| Contributed capital  |      | 80.000            | 80.000            |
| Reserve for development expenditure                          |      | 2.586.947         | 2.950.325         |
| Retained earnings  |      | -4.332.228        | -3.246.869        |
| <b>Equity</b>  | 1    | <b>-1.665.281</b> | <b>-216.544</b>   |
| Provisions for deferred tax                                  |      | 0                 | 96.079            |
| <b>Provisions</b>  |      | <b>0</b>          | <b>96.079</b>     |
| Other payables   |      | 0                 | 299.099           |
| <b>Non-current liabilities other than provisions</b>         |      | <b>0</b>          | <b>299.099</b>    |
| Debt to banks  |      | 1.023             | 30.854            |
| Trade payables   |      | 241.926           | 715.923           |
| Payables to group enterprises                                |      | 8.169.357         | 9.555.893         |
| Other payables   |      | 153.466           | 441.346           |
| <b>Short-term liabilities other than provisions</b>          |      | <b>8.565.772</b>  | <b>10.744.016</b> |
| <b>Liabilities other than provisions within the business</b> |      | <b>8.565.772</b>  | <b>11.043.115</b> |
| <b>Liabilities and equity</b>                                |      | <b>6.900.491</b>  | <b>10.922.650</b> |
| Contingent liabilities                                       | 7    |                   |                   |
| Collaterals and assets pledges as security                   | 8    |                   |                   |

**Statement of changes in Equity**

|                                | <b>Contributed<br/>capital</b> | <b>Retained<br/>earnings</b> | <b>Development<br/>expenditure</b> | <b>Total</b>      |
|--------------------------------|--------------------------------|------------------------------|------------------------------------|-------------------|
| Equity 1 January 2023          | 80.000                         | -3.246.869                   | 2.950.325                          | -216.544          |
| Profit (loss)                  | 0                              | -1.085.359                   | -363.378                           | -1.448.737        |
| <b>Equity 31 December 2023</b> | <b>80.000</b>                  | <b>-4.332.228</b>            | <b>2.586.947</b>                   | <b>-1.665.281</b> |

The share capital has remained unchanged since the foundation.

## Notes

**1. Uncertainties relating to going concern**

The company's ability to service all liabilities as they mature depends on continuing support from group enterprises. The company expects payables to group enterprises only to be payable if necessary liquidity is at hand or necessary credit lines to be available from group enterprises. As a consequence Management assess, that necessary funds are available to continue the operations on going concern basis for the upcoming year.

|                                     | <b>2023</b>      | <b>2022</b>      |
|-------------------------------------|------------------|------------------|
| <b>2. Employee benefits expense</b> |                  |                  |
| Wages and salaries                  | 2.223.510        | 2.742.636        |
| Other social security costs         | 19.568           | 25.621           |
|                                     | <b>2.243.078</b> | <b>2.768.257</b> |
| Capitalized staff costs             | -121.287         | -536.000         |
|                                     | <b>2.121.791</b> | <b>2.232.257</b> |
| <br>                                |                  |                  |
| Average number of employees         | 13               | 8                |
| <br>                                |                  |                  |
| <b>3. Other finance income</b>      |                  |                  |
| Exchange gain/loss                  | 15.265           | 759.223          |
|                                     | <b>15.265</b>    | <b>759.223</b>   |

**4. Development projects**

The company's development projects comprises software development. All development projects will add to the Company's SAAS business. They are expected to improve the long run competitiveness of the products and to benefit the company and future sales significantly. The company expects continuing rising demands for the company's products. The expectations is based on existing understanding of market conditions and sale of existing products

**5. Completed development projects**

|  |                   |                   |
|--|-------------------|-------------------|
| Cost at the beginning of the year                                | 6.022.309         | 5.486.309         |
| Addition during the year, incl. improvements                     | 121.287           | 536.000           |
| <b>Cost at the end of the year</b>                               | <b>6.143.596</b>  | <b>6.022.309</b>  |
| <br>   |                   |                   |
| Depreciation and amortisation at the beginning of the year       | -2.239.841        | -1.664.732        |
| Amortisation for the year  | -587.156          | -575.109          |
| <b>Impairment losses and amortisation at the end of the year</b> | <b>-2.826.997</b> | <b>-2.239.841</b> |
| <br>   |                   |                   |
| <b>Carrying amount at the end of the year</b>                    | <b>3.316.599</b>  | <b>3.782.468</b>  |

**Notes**

**6. Fixtures, fittings, tools and equipment**

|  |                 |                 |
|--|-----------------|-----------------|
| Cost at the beginning of the year                                | 122.956         | 108.907         |
| Addition during the year, incl. improvements                     | 73.379          | 14.049          |
| <b>Cost at the end of the year</b>                               | <b>196.335</b>  | <b>122.956</b>  |
| Depreciation and amortisation at the beginning of the year       | -109.012        | -90.821         |
| Amortisation for the year  | -28.946         | -18.191         |
| <b>Impairment losses and amortisation at the end of the year</b> | <b>-137.958</b> | <b>-109.012</b> |
| <b>Carrying amount at the end of the year</b>                    | <b>58.377</b>   | <b>13.944</b>   |

**7. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.

The company has a unrecognized deferred tax asset of 648 TDK.

**8. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.