
Allunite A/S

Tobaksvejen 25, st. tv, DK-2860 Søborg

Annual Report for 2022

CVR No. 35 41 08 05

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/6 2023

Kasper Bloch Gevaldig
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of Allunite A/S for the financial year 1 January - 31 December 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

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

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Søborg, 28 June 2023

Executive Board

Esben Emil Elmøe
CEO

Board of Directors

Jesper Lilledal Holmgaard
Chairman

Esben Emil Elmøe

Kasper Bloch Gevaldig

Christian Nicholas Rosenkrantz
Stadil

Henrik Jørgen Skouboe Kølle

Independent Auditor's report

To the shareholders of Allunite A/S

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 Allunite 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").

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.

Hellerup, 28 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Birch

State Authorised Public Accountant

mne42825

Company information

The Company	Allunite A/S Tobaksvejen 25, st. tv DK-2860 Søborg CVR No: 35 41 08 05 Financial period: 1 January - 31 December Incorporated: 6 August 2013 Financial year: 9th financial year Municipality of reg. office: Gladsaxe
Board of Directors	Jesper Lilledal Holmgaard, chairman Esben Emil Elmø Kasper Bloch Gevaldig Christian Nicholas Rosenkrantz Stadil Henrik Jørgen Skouboe Kølle
Executive Board	Esben Emil Elmø
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

The company's main activity is offering an Out-Of-Home Marketing Platform

Development in the year

The management is satisfied with the progress made in 2022.

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 DKK	2021 DKK
Gross profit		1,130,521	1,139,325
Staff expenses	2	-3,800,787	-3,015,055
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-3,456,291	-3,307,060
Profit/loss before financial income and expenses		-6,126,557	-5,182,790
Financial income		276	4,662
Financial expenses		-2,307,474	-1,808,340
Profit/loss before tax		-8,433,755	-6,986,468
Tax on profit/loss for the year	4	904,240	769,665
Net profit/loss for the year		-7,529,515	-6,216,803

Distribution of profit

	2022 DKK	2021 DKK
Proposed distribution of profit		
Retained earnings	-7,529,515	-6,216,803
	-7,529,515	-6,216,803

Balance sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Completed development projects		8,908,217	8,230,835
Intangible assets	5	8,908,217	8,230,835
Other fixtures and fittings, tools and equipment		0	23,490
Property, plant and equipment	6	0	23,490
Deposits		117,672	91,106
Fixed asset investments	7	117,672	91,106
Fixed assets		9,025,889	8,345,431
Finished goods and goods for resale		304,262	333,761
Inventories		304,262	333,761
Trade receivables		440,588	1,172,544
Other receivables		7,619,747	14,409
Corporation tax		904,240	769,665
Prepayments		287,957	235,159
Receivables		9,252,532	2,191,777
Cash at bank and in hand		829,322	3,374,813
Current assets		10,386,116	5,900,351
Assets		19,412,005	14,245,782

Balance sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		1,855,348	1,666,680
Reserve for development costs		6,958,446	6,420,051
Retained earnings		-14,640,096	-17,883,519
Equity		-5,826,302	-9,796,788
Credit institutions		23,752,101	22,117,840
Other payables		182,281	180,091
Long-term debt	8	23,934,382	22,297,931
Credit institutions	8	574,115	0
Trade payables		377,026	364,520
Other payables	8	277,609	316,890
Deferred income		75,175	1,063,229
Short-term debt		1,303,925	1,744,639
Debt		25,238,307	24,042,570
Liabilities and equity		19,412,005	14,245,782
Going concern	1		
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

Statement of changes in equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1,666,680	0	6,420,051	-17,883,519	-9,796,788
Cash capital increase	188,668	11,311,323	0	0	11,499,991
Other equity movements	0	0	0	10	10
Development costs for the year	0	0	3,205,943	-3,205,943	0
Depreciation, amortisation and impairment for the year	0	0	-2,667,548	2,667,548	0
Net profit/loss for the year	0	0	0	-7,529,515	-7,529,515
Transfer from share premium account	0	-11,311,323	0	11,311,323	0
Equity at 31 December	1,855,348	0	6,958,446	-14,640,096	-5,826,302

The board of directors is authorized under the articles of association of the company to issue warrants and has introduced a warrant program for a number of individual contributors in the company. The warrant program has been unanimously approved by all shareholders and the board of directors has unanimously confirmed each warrant grant made under the warrant program. The total number of warrants under the program is 118,870. The executive management has not received any warrants as part of the remuneration for their service. The warrant program was started in 2016 and the maturity period is 10 years from the time of granting.

Incentive programmes are not recognised in the Financial Statements

Notes to the Financial Statements

1. Going concern

In 2022 the company's equity has increased by DKK 11.5M through a cash contribution from the existing shareholders.

The Company's budget shows sufficient cash to continue operating throughout 2023 and Management is actively monitoring the company's capital resources. The Company currently has a negative equity position and is therefore affected by the rules of capital loss in the Danish Companies Act.

Management expects to reestablish the Capital by future profits or by further equity contributions.

	<u>2022</u>	<u>2021</u>
	DKK	DKK
2. Staff Expenses		
Wages and salaries	3,437,413	2,671,957
Pensions	162,614	145,633
Other social security expenses	39,467	14,463
Other staff expenses	161,293	183,002
	<u>3,800,787</u>	<u>3,015,055</u>
Average number of employees	<u>5</u>	<u>4</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	3,432,801	3,283,570
Depreciation of property, plant and equipment	23,490	23,490
	<u>3,456,291</u>	<u>3,307,060</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
4. Income tax expense		
Current tax for the year	-904,240	-769,665
	<u>-904,240</u>	<u>-769,665</u>

Notes to the Financial Statements

5. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	20,328,726
Additions for the year	<u>4,110,183</u>
Cost at 31 December	<u>24,438,909</u>
Impairment losses and amortisation at 1 January	12,097,891
Amortisation for the year	<u>3,432,801</u>
Impairment losses and amortisation at 31 December	<u>15,530,692</u>
Carrying amount at 31 December	<u>8,908,217</u>

The intangible assets comprise of development projects related to the companies primary activities, and is therefore an integral part of the companies future strategy and the expectations for the future.

6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	<u>117,450</u>
Cost at 31 December	<u>117,450</u>
Impairment losses and depreciation at 1 January	93,960
Depreciation for the year	<u>23,490</u>
Impairment losses and depreciation at 31 December	<u>117,450</u>
Carrying amount at 31 December	<u>0</u>

Notes to the Financial Statements

7. Other fixed asset investments

	Deposits DKK
Cost at 1 January	91,106
Additions for the year	26,566
Cost at 31 December	<u>117,672</u>
Carrying amount at 31 December	<u>117,672</u>

8. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2022 DKK	2021 DKK
Credit institutions		
After 5 years	0	0
Between 1 and 5 years	23,752,101	22,117,840
Long-term part	<u>23,752,101</u>	<u>22,117,840</u>
Within 1 year	0	0
Other short-term debt to credit institutions	574,115	0
Short-term part	<u>574,115</u>	<u>0</u>
	<u>24,326,216</u>	<u>22,117,840</u>
Other payables		
After 5 years	182,281	180,091
Long-term part	<u>182,281</u>	<u>180,091</u>
Within 1 year	0	0
Other short-term payables	277,609	316,890
	<u>459,890</u>	<u>496,981</u>

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK

9. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	<u>80,878</u>	<u>57,447</u>
	<u>80,878</u>	<u>57,447</u>

Other contingent liabilities

A floating charge has been provided as security for credit institutions loan of DKK 17,755,986.

Notes to the Financial Statements

10. Accounting policies

The Annual Report of Allunite A/S 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. Certain numbers has been reclassified in the profit and loss statement. The change has no effect on the result for the 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

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of goods sold

Cost of goods sold comprise the purchase price etc. for goods sold in the year.

Notes to the Financial Statements

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, cost of goods sold and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

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

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

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 contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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 5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

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.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

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 rent, insurance premiums, subscriptions and interest.

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, including the tax base of tax loss carry-forwards, 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

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Notes to the Financial Statements

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.