Allunite A/S

Tobaksvejen 25, st. tv, DK-2860 Søborg

Annual Report for 2023

CVR No. 35 41 08 05

The Annual Report was presented and adopted at the Annual General Meeting of the company on 2/7 2024

Jesper Lilledal Holmgaard
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Allunite A/S for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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

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

Søborg, 2 July 2024

Executive Board

Esben Emil Elmøe
CEO

Board of Directors

Jesper Lilledal Holmgaard Chairman	Esben Emil Elmøe	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 2023 and of the results of the Company´s operations for the financial year 1 January - 31 December 2023 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 2023, 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, 2 July 2024

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 2860 Søborg CVR No: 35 41 08 05 Financial period: 1 January - 31 December Incorporated: 6 August 2013 Financial year: 10th financial year Municipality of reg. office: Gladsaxe
Board of Directors	Jesper Lilledal Holmgaard, chairman Esben Emil Elmøe Christian Nicholas Rosenkrantz Stadil Henrik Jørgen Skouboe Kølle
Executive Board	Esben Emil Elmøe
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-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 income statement of the Company for 2023 shows a loss of DKK 8,243,388, and at 31 December 2023 the balance sheet of the Company shows a negative equity of DKK 5,332,206.

The management is satisfied with the progress made in 2023.

Capital resources

We draw attention to note 1, Capital resources, in the financial statements.

Subsequent events

Beside the extended loan agreement mentioned in note 1, Capital resources no events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		**1,564,279**	**1,130,521**
Staff expenses	2	-4,475,256	-3,800,787
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-3,622,668	-3,456,291
Profit/loss before financial income and expenses		**-6,533,645**	**-6,126,557**
Financial income		24,375	276
Financial expenses		-2,782,616	-2,307,474
Profit/loss before tax		**-9,291,886**	**-8,433,755**
Tax on profit/loss for the year	4	1,078,979	904,240
Net profit/loss for the year		**-8,212,907**	**-7,529,515**

Distribution of profit

	2023	2022
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-8,212,907	-7,529,515
	-8,212,907	**-7,529,515**

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Completed development projects		10,190,003	8,908,217
Intangible assets	5	**10,190,003**	**8,908,217**
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	6	**0**	**0**
Investments in subsidiaries		15,591	0
Deposits	7	161,796	117,672
Fixed asset investments		**177,387**	**117,672**
Fixed assets		**10,367,390**	**9,025,889**
Finished goods and goods for resale		285,112	304,262
Inventories		**285,112**	**304,262**
Trade receivables		150,639	440,588
Other receivables		0	7,572,157
Corporation tax		1,078,979	904,240
Corporation tax receivable from group enterprises		374,908	47,590
Prepayments		391,890	287,957
Receivables		**1,996,416**	**9,252,532**
Cash at bank and in hand		**10,045,259**	**829,322**
Current assets		**12,326,787**	**10,386,116**
Assets		**22,694,177**	**19,412,005**

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		1,969,833	1,855,348
Share premium account		0	0
Reserve for development costs		10,190,003	6,958,446
Retained earnings		-17,461,561	-14,640,096
Equity		**-5,301,725**	**-5,826,302**
Credit institutions		0	23,752,101
Other payables		186,120	182,281
Long-term debt	8	**186,120**	**23,934,382**
Credit institutions	8	26,977,351	574,115
Trade payables		221,452	377,026
Other payables	8	522,520	277,609
Deferred income		88,459	75,175
Short-term debt		**27,809,782**	**1,303,925**
Debt		**27,995,902**	**25,238,307**
Liabilities and equity		**22,694,177**	**19,412,005**
Capital resources	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	1,855,348	0	6,958,446	-14,640,096	-5,826,302
Cash capital increase	114,485	8,622,999	0	0	8,737,484
Development costs for the year	0	0	6,854,225	-6,854,225	0
Depreciation, amortisation and impairment for the year	0	0	-3,622,668	3,622,668	0
Net profit/loss for the year	0	0	0	-8,212,907	-8,212,907
Transfer from share premium account	0	-8,622,999	0	8,622,999	0
Equity at 31 December	**1,969,833**	**0**	**10,190,003**	**-17,461,561**	**-5,301,725**

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. Capital resources

After the balance date the company has reach an agreement with credit institutions prolonging TDKK 26,977 loans for further 12 month until July 2025. With this Management assess the liquidity reserves to be sufficient and has therefore prepared the annual report under the assumptions of going concern.

2. Staff Expenses

	2023	2022
	DKK	DKK
Wages and salaries	4,023,442	3,437,413
Pensions	162,548	162,614
Other social security expenses	41,398	39,467
Other staff expenses	247,868	161,293
	4,475,256	**3,800,787**
Average number of employees	**5**	**5**

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

	2023	2022
	DKK	DKK
Amortisation of intangible assets	3,622,668	3,432,801
Depreciation of property, plant and equipment	0	23,490
	3,622,668	**3,456,291**

4. Income tax expense

	2023	2022
	DKK	DKK
Current tax for the year	-1,078,979	-904,240
	-1,078,979	**-904,240**

Notes to the Financial Statements

5. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	24,438,909
Additions for the year	4,904,454
Cost at 31 December	29,343,363
Impairment losses and amortisation at 1 January	15,530,692
Amortisation for the year	3,622,668
Impairment losses and amortisation at 31 December	19,153,360
Carrying amount at 31 December	**10,190,003**

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	117,450
Cost at 31 December	117,450
Impairment losses and depreciation at 1 January	117,450
Impairment losses and depreciation at 31 December	117,450
Carrying amount at 31 December	**0**

7. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	117,672
Additions for the year	44,124
Cost at 31 December	161,796
Carrying amount at 31 December	**161,796**

Notes to the Financial Statements

8. Long-term debt

	2023	2022
	DKK	DKK

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:

	2023 DKK	2022 DKK
Credit institutions		
After 5 years	0	0
Between 1 and 5 years	0	23,752,101
Long-term part	0	23,752,101
Other short-term debt to credit institutions	26,977,351	574,115
	26,977,351	**24,326,216**
Other payables		
After 5 years	0	182,281
Between 1 and 5 years	186,120	0
Long-term part	186,120	182,281
Other short-term payables	522,520	277,609
	708,640	**459,890**

9. Contingent assets, liabilities and other financial obligations

	2023	2022
	DKK	DKK
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments: Within 1 year	82,356	80,878

Other contingent liabilities

A floating charge has been provided as security for guarantee of DKK 3,600,000.

Notes to the Financial Statements

10. Accounting policies

The Annual Report of Allunite A/S for 2023 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 2023 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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

Revenue

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.

Notes to the Financial Statements

Expenses for raw materials and consumables

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

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.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

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.

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.

Notes to the Financial Statements

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 liabilities

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.

Deferred income

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