

Static Sky ApS

Njalsgade 76, 4., 2300 København S

Company reg. no. 35 47 11 70

Annual report

1 October 2022 - 30 September 2023

The annual report was submitted and approved by the general meeting on the 25 March 2024.

Charles Michael Hinshaw
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Static Sky ApS for the financial year 1 October 2022 - 30 September 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 – 30 September 2023.

The Executive Board consider the conditions for audit exemption of the 2022/23 financial statements to be met.

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

We recommend that the annual report be approved at the Annual General Meeting.

København S, 25 March 2024

Executive board

Charles Michael Hinshaw
CEO

Emil Evald Johansen
director

Practitioner's compilation report

To the Shareholder of Static Sky ApS

We have compiled the financial statements of Static Sky ApS for the financial year 1 October 2022 - 30 September 2023 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Kgs. Lyngby, 25 March 2024

Ecomentor

State Authorised limited liability partnership
Company reg. no. 26 06 32 21

Christian Agerholm

State Authorised Public Accountant
mne34367

Company information

The company

Static Sky ApS
Njalsgade 76, 4.
2300 København S

Company reg. no. 35 47 11 70
Established: 21 August 2013
Domicile: Copenhagen
Financial year: 1 October - 30 September

Executive board

Charles Michael Hinshaw, CEO
Emil Evald Johansen, director

Auditors

Ecomentor Statsautoriseret revisionsaktieselskab
Engelsborgvej 31
2800 Kgs. Lyngby

Parent company

Framebunker ApS

Management's review

Description of key activities of the company

The company's aim is to develop, marketpromote, license and sell computer games and related products.

Development in activities and financial matters

The gross loss for the year totals DKK -16.357 against DKK -29.097 last year. Income or loss from ordinary activities after tax totals DKK -18.901 against DKK -32.667 last year. Management considers the net profit or loss for the year satisfactory.

In 2022/23, the company's cash and cash equivalents decreased by DKK 12.095, i.e. from DKK 120.024 to DKK 107.929.

The income statement shows a loss for the year which is as expected. This has resulted in a loss of more than half the share capital. Management believes it can be reestablished by the current activity.

Income statement 1 October - 30 September

All amounts in DKK.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
Gross profit	-16.357	-29.097
1 Staff costs	<u>0</u>	<u>0</u>
Profit before net financials	-16.357	-29.097
2 Other financial expenses	<u>-2.544</u>	<u>-3.570</u>
Pre-tax net profit or loss	-18.901	-32.667
Tax on net profit or loss for the year	<u>0</u>	<u>0</u>
Net profit or loss for the year	-18.901	-32.667
Proposed distribution of net profit:		
Allocated from retained earnings	<u>-18.901</u>	<u>-32.667</u>
Total allocations and transfers	-18.901	-32.667

Balance sheet at 30 September

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
Development projects in progress and prepayments for intangible assets	0	0
Total intangible assets	0	0
Total non-current assets	0	0
Current assets		
Other receivables	634	4.897
Total receivables	634	4.897
Cash and cash equivalents	107.929	120.024
Total current assets	108.563	124.921
Total assets	108.563	124.921

Balance sheet at 30 September

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	277.294	277.294
Retained earnings	-225.968	-207.067
Total equity	<u>51.326</u>	<u>70.227</u>
Liabilities other than provisions		
Trade payables	14.500	14.501
Payables to group enterprises	42.737	40.193
Total short term liabilities other than provisions	<u>57.237</u>	<u>54.694</u>
Total liabilities other than provisions	<u>57.237</u>	<u>54.694</u>
Total equity and liabilities	<u>108.563</u>	<u>124.921</u>

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 October 2021	277.294	-207.067	70.227
Retained earnings for the year	<u>0</u>	<u>-18.901</u>	<u>-18.901</u>
	<u>277.294</u>	<u>-225.968</u>	<u>51.326</u>

Notes

All amounts in DKK.

	<u>2022/23</u>	<u>2021/22</u>
1. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
	<u>2022/23</u>	<u>2021/22</u>
2. Other financial expenses		
Financial costs, group enterprises	2.544	1.898
Other financial costs	<u>0</u>	<u>1.672</u>
	<u>2.544</u>	<u>3.570</u>

3. Contingencies

Joint taxation

With Framebunker ApS, company reg. no 35237275 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Accounting policies

The annual report for Static Sky ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses incurred for administration etc.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.