



Tønsser ApS

Constantin Hansens Gade 25, 2.
DK-1799 København V

CVR no. 35 47 20 88

Annual report 2022

The annual report was presented and approved at
the Company's annual general meeting on

27 June 2023

Thomas Midtgaard

Chairman of the annual general meeting

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Tonsser ApS
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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Tonsser ApS for the financial year 1 January – 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 12 June 2023
Executive Board:

Peter Holm Nielsen
CEO

Simon Hjære Hansen

Board of Directors:

Henrik Juel Kraft
Chairman

Rasmus Frøkiær Ankersen

Peter Holm Nielsen

Simon Hjære Hansen

Jannick Malling Laksø

Per Casper Stylsvig

Independent auditor's report

To the shareholders of Tonsser ApS

Opinion

We have audited the financial statements of Tonsser ApS for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position 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.

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.

Management's responsibility 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 that 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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

Independent auditor's report

- identify and assess the risks of material misstatement of the company 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.

Statement on the Management's review

Management is responsible for the Management's review.

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

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aalborg, 12 June 2023

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Tonsser ApS
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Management's review

Company details

Tonsser ApS
Constantin Hansens Gade 25, 2.
DK-1799 København V

CVR no.:	35 47 20 88
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Henrik Juel Kraft, Chairman
Rasmus Frøkiær Ankersen
Peter Holm Nielsen
Simon Hjære Hansen
Jannick Malling Laksø
Per Casper Stylsvig

Executive Board

Peter Holm Nielsen, CEO
Simon Hjære Hansen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's principal activities are to develop an IT platform for football players at all ages.

The mission of Tonsser is to empower the next generation of footballers to unlock their potential. Tonsser wants to take key leadership and responsibility in empowering and motivating young players in innovative and purposeful ways, now and in the future.

Development in activities and financial position

The income statement of Tonsser for 2022 shows a loss of DKK 13,530,712 as against a loss of DKK 12,183,668 in 2021. Equity recorded on the balance sheet was DKK 22,297,673 as of 31 December 2022 compared to DKK 27,589,196 on 31 December 2021.

During the year under review, Tonsser enjoyed strong growth in the community after two years with difficult circumstances as a result of COVID-19. The implemented changes to the model and strategy proved largely successful. Performance was above expectations on player growth and engagement, setting new records for both off-app community and the in-app users beyond COVID-19 results. Further, media sales were re-established in 2022 with growth above COVID-19 figures and with existing and new brand media clients finding value and returns in our collaboration.

2022 was a year to regain what was lost during COVID-19 and get in position to grow and expand in the coming years and build consistency in growth and revenue. This was accomplished and looking back, we are pleased with the 2022 results.

Thank you to everyone supporting Tonsser - and working hard every day to empower the next generation of footballers.

Capital resources

Tonsser ApS successfully completed a first closing capital increase of DKK 8.2 million in December 2022 to strengthen its capital resources and continue the ambitious plans for growth.

As of 31 December 2022, Tonsser had available liquidity of DKK 4,198,036, and further DKK 4,156,503 was received from the shareholders in January 2023.

The management team of Tonsser is currently working on strengthening its long-term capital resources in order to support and drive their growth plan for the following years. Management expects to achieve this through a second closing of funding during the fall of 2023, followed by a subsequent investment round within the next 12-18 months.

In June 2023, Tonsser secured expansion revenue from its strategic partner in the Netherlands to support their growth initiatives. Further, Management expects positive cash flows from the second closing of funding and revenue from media sales during the remainder of the financial year 2023.

Therefore, Management considers the cash resources sufficient to carry out the operations during 2023.

Management's review

Operating review

Events after the balance sheet date

After the end of the financial year, no events of significance to the financial statements have occurred.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2022	2021
Gross loss		-1,831,281	-2,588,094
Staff costs	2	-4,826,819	-2,198,110
Depreciation, amortisation and impairment losses	3	-8,423,501	-8,635,515
Loss before financial income and expenses		-15,081,601	-13,421,719
Other financial income		4,487	2,556
Other financial expenses		-448,305	-616,219
Loss before tax		-15,525,419	-14,035,382
Tax on loss for the year		1,994,707	1,851,714
Loss for the year		-13,530,712	-12,183,668
Proposed distribution of loss			
Retained earnings		-13,530,712	-12,183,668

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Intangible assets	4		
Completed development projects		<u>20,076,239</u>	<u>19,343,125</u>
Property, plant and equipment	5		
Fixtures and fittings, tools and equipment		<u>0</u>	<u>89,764</u>
Investments			
Equity investments in group entities		7	0
Receivables from group entities		64,614	0
Deposits		<u>0</u>	<u>271,908</u>
		<u>64,621</u>	<u>271,908</u>
Total fixed assets		<u>20,140,860</u>	<u>19,704,797</u>
Current assets			
Receivables			
Trade receivables		388,675	35,966
Other receivables		146,178	114,893
Receivables from shareholders		4,156,503	1,141,442
Corporation tax		<u>1,994,707</u>	<u>1,960,191</u>
		<u>6,686,063</u>	<u>3,252,492</u>
Cash at bank and in hand		<u>4,198,036</u>	<u>12,870,317</u>
Total current assets		<u>10,884,099</u>	<u>16,122,809</u>
TOTAL ASSETS		<u><u>31,024,959</u></u>	<u><u>35,827,606</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		652,967	593,729
Reserve for development costs		15,659,466	15,164,352
Retained earnings		<u>5,985,240</u>	<u>11,831,115</u>
Total equity		<u>22,297,673</u>	<u>27,589,196</u>
Provisions			
Other provisions		<u>501,680</u>	<u>0</u>
Total provisions		<u>501,680</u>	<u>0</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Other long-term debt		<u>6,583,855</u>	<u>6,253,125</u>
Current liabilities other than provisions			
Trade payables		186,534	309,579
Other payables		<u>1,455,217</u>	<u>1,675,706</u>
		<u>1,641,751</u>	<u>1,985,285</u>
Total liabilities other than provisions		<u>8,225,606</u>	<u>8,238,410</u>
TOTAL EQUITY AND LIABILITIES		<u>31,024,959</u>	<u>35,827,606</u>
Contractual obligations, contingencies, etc.	6		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2022	593,729	15,164,352	11,831,115	27,589,196
Cash capital increase	59,238	0	8,179,951	8,239,189
Transfers, reserves	0	495,114	-495,114	0
Transferred over the distribution of loss	0	0	-13,530,712	-13,530,712
Equity at 31 December 2022	652,967	15,659,466	5,985,240	22,297,673

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Tonsser ApS for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery to the buyer has taken place.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, stationary and office supplies, marketing costs, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from sale of intangible assets as well as property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages and salaries directly and indirectly attributable to development activities.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

are as follows:

Fixtures and fittings, tools and equipment 3 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Cash at bank and in hand

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Financial statements 1 January – 31 December

Notes

DKK	<u>2022</u>	<u>2021</u>
2 Staff costs		
Wages and salaries	2,968,661	2,013,559
Pensions	40,495	24,329
Other social security costs	1,707,527	57,941
Other staff costs	<u>110,136</u>	<u>102,281</u>
	<u>4,826,819</u>	<u>2,198,110</u>
Capitalised wages and salaries	<u>6,158,809</u>	<u>6,296,685</u>
	<u>6,158,809</u>	<u>6,296,685</u>
Average number of full-time employees	<u>18</u>	<u>14</u>
3 Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	8,333,737	8,561,258
Depreciation of property, plant and equipment	<u>89,764</u>	<u>74,257</u>
	<u>8,423,501</u>	<u>8,635,515</u>
4 Intangible assets		
Capitalised development costs comprise development of an IT platform.		
DKK		Completed development projects
Cost at 1 January 2022		54,064,638
Additions for the year		<u>9,066,851</u>
Cost at 31 December 2022		<u>63,131,489</u>
Amortisation and impairment losses at 1 January 2022		-34,721,513
Amortisation for the year		<u>-8,333,737</u>
Amortisation and impairment losses at 31 December 2022		<u>-43,055,250</u>
Carrying amount at 31 December 2022		<u>20,076,239</u>

Financial statements 1 January – 31 December

Notes

5 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment
Cost at 1 January 2022	<u>477,005</u>
Cost at 31 December 2022	<u>477,005</u>
Depreciation and impairment losses at 1 January 2022	-387,241
Depreciation for the year	<u>-89,764</u>
Depreciation and impairment losses at 31 December 2022	<u>-477,005</u>
Carrying amount at 31 December 2022	<u><u>0</u></u>

6 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company has rental commitments at a total of DKK 80 thousand on the current property held under lease.

A deed registered to credit institution of DKK 5,950 thousand (2021: DKK 5,950 thousand) secured on pledged assets has been registered as collateral for balances with credit institution. At 31 december 2022, pledged assets totalled DKK 20,076 thousand (2021: DKK 19,469 thousand).