



**CHOCOLATE CLOUD APS**  
**MØLLESVINGET 31, 8541 SKØDSTRUP**  
**ANNUAL REPORT**  
**1 JULY 2020 - 30 JUNE 2021**

The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 2 December 2021

---

Klaus William Ahlbech

## CONTENTS

	Page
<b>Company Details</b>	
Company Details.....	2
<b>Statement and Report</b>	
Statement by Board of Directors and Board of Executives.....	3
Independent Auditor's Report.....	4-6
<b>Management's Review</b>	
Management's Review .....	7
<b>Financial Statements 1 July 2020 - 30 June 2021</b>	
Income Statement.....	8
Balance Sheet.....	9
Equity.....	10
Notes.....	11-12
Accounting Policies.....	13-14

## COMPANY DETAILS

<b>Company</b>	Chocolate Cloud ApS Møllesvinget 31 8541 Skødstrup
	CVR No.: 35 86 57 56
	Established: 2 June 2014
	Registered Office: Aarhus
	Financial Year: 1 July 2020 - 30 June 2021
<b>Board of Directors</b>	Daniel Enrique Lucani Rötter Marcell Feher Per Hartmann Christensen
<b>Board of Executives</b>	Daniel Enrique Lucani Rötter
<b>Auditor</b>	Deloitte Statsautoriseret Revisionspartnerselskab Østre Havnepromenade 26, 4. 9000 Aalborg
<b>Bank</b>	Jutlander Bank Tankedraget 5 9000 Aalborg

## STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Chocolate Cloud ApS for the financial year 1 July 2020 - 30 June 2021.

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

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 2 December 2021

Board of Executives

---

Daniel Enrique Lucani Rötter

Board of Directors

---

Daniel Enrique Lucani Rötter

---

Marcell Feher

---

Per Hartmann Christensen

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Chocolate Cloud ApS

### AUDITORS OPINION ON THE FINANCIAL STATEMENTS

#### Opinion

We have audited the Financial Statements of Chocolate Cloud ApS for the financial year 1 July 2020 - 30 June 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant 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 assets, liabilities and financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Emphasis of matter

We draw attention to the note "Information on uncertainty in recognition and measurement" in the financial statements, which describes the uncertainty associated with the recognized intangible fixed assets of DKK 5,744,700. Our conclusion is not modified regarding this relationship.

#### 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.

#### 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 judgment and maintain professional skepticism throughout the audit. We also:

## INDEPENDENT AUDITOR'S REPORT

- 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.

### 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, we conclude that 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 Management's Review.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Statement on compliance audit and performance audit true

## INDEPENDENT AUDITOR'S REPORT

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with the appropriations, laws and other regulations, agreements and usual practice and that financial consideration was made when managing the funds and the operation of the activities covered by the financial statements. Management is also responsible for setting up systems and processes supporting economy, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audits as well as performance audit of selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the appropriations, laws and other regulations, agreements and usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and activities covered by the financial statements.

We must report on any grounds for significant critical comments should we find such in performing our procedures.

We have no significant critical comments to report in this connection.

Aalborg, 2 December 2021

Deloitte Statsautoriseret Revisionspartnerselskab  
CVR no. 20222670

Peter Nørrevang  
State Authorised Public Accountant  
MNE no. mne11706

## MANAGEMENT'S REVIEW

### Principal activities

The purpose of the company is to perform development, manufacturing and sales of cloud storage technologies. Chocolate Cloud offers software solutions for managing storage in multiple storage clouds. Whether our customers are interested in employing commercial cloud storage services, deploy their own clouds, or a mix of the two, our technology allows to store files reliably while reducing the storage cost. Our team has also developed Hadoop and OpenStack solutions that exploit our core technology (network coding) for increased data reliability, while significantly reducing the storage and network costs to your system.

Our technical goal is to provide flexible, highly reliable, privacy preserving, and blazing fast cloud storage technologies. We wield the power of network coding, a novel erasure coding strategy, to enable solutions in highly dynamic settings and mobile devices, where others cannot, as well as solutions for standard data centers.

### Uncertainty as to recognition and measurement

Due to the company specific activity as a development company there is a natural uncertainty related to the measurement of the company's development. The carrying amount of the development project is based on the management's expectations to the future.

### Development in activities and financial position

In November 2020 Borean Innovation A/S and Uddannelses og Forskningsstyrelsen sold their shares to the remaining shareholders. As well Atlantic Labs, Borean Innovation A/S and Uddannelses og Forskningsstyrelsen forgave their loans to Chocolate Clouds. After the debt forgiveness, the equity is reestablished.

The company has during the year primarily spent development efforts on the INCOM project making substantial contributions to the project, and got a head start on the 3-year Serrano EU-project.

Chocolate Cloud ApS is continuously looking for ways to improve the sale on SkyFlok.com and has signed a number of reseller agreements. As well SkyFlok has now integrated access to a range of EU owned cloud storage facilities located inside the EU.

Finally Chocolate Cloud ApS got into the top 5 of the Deutsche Telekom Challenge, where the most innovative R&D activities with market potential for Deutsche Telekom are prized, proving the potential of the Chocolate Cloud distributed storage technologies.

### Significant events after the end of the financial year

Nothing to note.



INCOME STATEMENT 1 JULY - 30 JUNE

	Note	2020/21 DKK	2019/20 DKK
<b>GROSS LOSS.....</b>		<b>-256.759</b>	<b>67.899</b>
Staff costs.....	1	-442.387	-472.037
Depreciation, amortisation and impairment.....		-386.685	-2.839.371
<b>OPERATING LOSS.....</b>		<b>-1.085.831</b>	<b>-3.243.509</b>
Other financial income.....	2	7.955.343	0
Other financial expenses.....		-201.247	-183.891
<b>PROFIT BEFORE TAX.....</b>		<b>6.668.265</b>	<b>-3.427.400</b>
Tax on profit/loss for the year.....	3	213.561	835.660
<b>PROFIT FOR THE YEAR.....</b>		<b>6.881.826</b>	<b>-2.591.740</b>
<b>PROPOSED DISTRIBUTION OF DIVIDEND</b>			
Retained earnings.....		6.881.826	-2.591.740
<b>TOTAL.....</b>		<b>6.881.826</b>	<b>-2.591.740</b>

## BALANCE SHEET AT 30 JUNE

ASSETS	Note	2021 DKK	2020 DKK
Development projects completed.....		5.267.740	6.000.000
Development projects in progress and prepayments.....		476.960	0
<b>Intangible fixed assets.....</b>	<b>4</b>	<b>5.744.700</b>	<b>6.000.000</b>
Rent deposit and other receivables.....		0	25.000
<b>Fixed asset investments.....</b>	<b>5</b>	<b>0</b>	<b>25.000</b>
<b>FIXED ASSETS.....</b>		<b>5.744.700</b>	<b>6.025.000</b>
Trade receivables.....		0	324
Other receivables.....		6.574	7.895
Receivables corporation tax.....		142.221	796.181
<b>Receivables.....</b>		<b>148.795</b>	<b>804.400</b>
<b>Cash and cash equivalents.....</b>		<b>2.358.107</b>	<b>366.607</b>
<b>CURRENT ASSETS.....</b>		<b>2.506.902</b>	<b>1.171.007</b>
<b>ASSETS.....</b>		<b>8.251.602</b>	<b>7.196.007</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital.....		120.939	110.939
Transfer to reserve for development costs.....		3.713.228	4.270.471
Retained profit.....		-2.259.706	-9.698.756
<b>EQUITY.....</b>		<b>1.574.461</b>	<b>-5.317.346</b>
Provision for deferred tax.....		441.000	787.000
<b>PROVISION FOR LIABILITIES.....</b>		<b>441.000</b>	<b>787.000</b>
Convertible and interest-bearing debt instruments.....		1.746.980	9.780.987
Accruals and deferred income.....		3.363.222	1.530.030
<b>Long-term liabilities.....</b>	<b>6</b>	<b>5.110.202</b>	<b>11.311.017</b>
Short-term portion of long-term liabilities.....	6	421.913	0
Trade payables.....		33.314	33.597
Other liabilities.....		670.712	381.739
<b>Current liabilities.....</b>		<b>1.125.939</b>	<b>415.336</b>
<b>LIABILITIES.....</b>		<b>6.236.141</b>	<b>11.726.353</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>8.251.602</b>	<b>7.196.007</b>
Contingencies etc.	7		
Information on uncertainty with respect to recognition and measurement	8		

## EQUITY

	Share capital	Transfer to reserve for development costs	Retained profit	Total
Equity at 1 July 2020.....	110.939	4.270.471	-9.698.775	-5.317.365
Capital increase.....	10.000			10.000
Proposed distribution of profit.....			6.881.826	6.881.826
Transferred to reserve for development costs.....		-557.243	557.243	
Equity at 30 June 2021.....	120.939	3.713.228	-2.259.706	1.574.461

## NOTES

	2020/21 DKK	2019/20 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 1 (2019/20: 1)			
Wages and salaries.....	440.995	462.470	
Pensions.....	757	1.073	
Social security costs.....	635	7.111	
Other staff costs.....	0	1.383	
	<b>442.387</b>	<b>472.037</b>	
<b>Other financial income</b>			<b>2</b>
Other interest income.....	7.955.343	0	
	<b>7.955.343</b>	<b>0</b>	
Other interest income consists of debt forgiveness by the creditors Borean Innovation A/S, Uddannelses- og Forskningsstyrelsen and Atlantic Internet II GmbH & Co. KG.			
<b>Tax on profit/loss for the year</b>			<b>3</b>
Calculated tax on taxable income of the year.....	0	-274.660	
Adjustment of tax for previous years.....	439	0	
Adjustment of deferred tax.....	-214.000	-561.000	
	<b>-213.561</b>	<b>-835.660</b>	
<b>Intangible fixed assets</b>			<b>4</b>
	Development projects completed	Development projects in progress and prepayments	
Cost at 1 July 2020.....	10.806.608	0	
Additions.....	0	476.960	
<b>Cost at 30 June 2021.....</b>	<b>10.806.608</b>	<b>476.960</b>	
Amortisation at 1 July 2020.....	4.806.608	0	
Impairment losses.....	-348.101	0	
Amortisation for the year.....	1.080.361	0	
<b>Amortisation at 30 June 2021.....</b>	<b>5.538.868</b>	<b>0</b>	
<b>Carrying amount at 30 June 2021.....</b>	<b>5.267.740</b>	<b>476.960</b>	
Interest expenses recognised as part of cost of assets.....	0	0	

The development project constitutes widening the SkyFlok solution to the Internet of Things (IoT) market. This development includes enhancements to the back-end software (e.g. OpenStack Swift) to interface SkyFlok to more European cloud storage providers. The management has high expectations for the product and has no indication of impairment in ratio to the carrying amount.

## NOTES

					Note
<b>Fixed asset investments</b>					<b>5</b>
				Rent deposit and other receivables	
Cost at 1 July 2020.....				25.000	
Disposals.....				-25.000	
Cost at 30 June 2021.....				0	
Carrying amount at 30 June 2021.....				0	
<b>Long-term liabilities</b>					<b>6</b>
	30/6 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	30/6 2020 total liabilities	Current portion at the beginning of the year
Convertible and interest- bearing debt instruments.....	1.863.297	116.317	1.119.766	9.780.987	0
Accruals and deferred income..	3.668.818	305.596	1.512.613	1.530.030	0
	<b>5.532.115</b>	<b>421.913</b>	<b>2.632.379</b>	<b>11.311.017</b>	<b>0</b>
<b>Contingencies etc.</b>					<b>7</b>
Chocolate Cloud had entered into a lease for which the notice of termination is 3 months, equivalent to t. DKK 24.					
<b>Information on uncertainty with respect to recognition and measurement</b>					<b>8</b>
Due to the company specific activity as a development company there is a natural uncertainty related to the measurement of the company's development. The carrying amount of the development project is based on the management's positive expectations to the future.					

## ACCOUNTING POLICIES

The Annual Report of Chocolate Cloud ApS for 2020/21 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

### Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

### Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

### Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

### Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## BALANCE SHEET

### Intangible fixed assets

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 10 years.

## ACCOUNTING POLICIES

An amount corresponding to the recognised development costs is tied up on a special reserve under equity, called "Reserve for development costs". The reserve is reduced by depreciation and reduction of deferred tax.

### Fixed asset investments

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

### Impairment of fixed assets

The carrying amount of intangible fixed assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

### Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.