

## Project44 A/S

Strømmen 6  
9400 Nørresundby  
CVR No. 37439541

### Annual report 01.01.2022 - 31.01.2022

The Annual General Meeting adopted the  
annual report on 07.07.2022

DocuSigned by:

**Jett McCandless**

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**Jett McCandless**

Chairman of the General Meeting

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# Entity details

## Entity

Project44 A/S

Strømmen 6

9400 Nørresundby

Business Registration No.: 37439541

Registered office: Aalborg

Financial year: 01.01.2022 - 31.01.2022

## Board of Directors

Jett McCandless, Chairman of the board

Jørgen Brøndgaard Nielsen, Board member

David Chandler, Board member

## Executive Board

Jørgen Brøndgaard Nielsen

## Auditors

EY Godkendt Revisionspartnerselskab

Vestre Havnepromenade 1A

9000 Aalborg

CVR No.: 30700228

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Project44 A/S for the financial year 01.01.2022 - 31.01.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

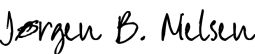
In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.01.2022 and of the results of its operations for the financial year 01.01.2022 - 31.01.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 07.07.2022

## Executive Board

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**Jørgen Brøndgaard Nielsen**

## Board of Directors

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**Jett McCandless**  
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**Jett McCandless**  
Chairman of the board

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**Jørgen Brøndgaard Nielsen**  
Board member

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**David Chandler**  
Board member

# Independent auditor's report

## To the shareholders of Project44 A/S

### Opinion

We have audited the financial statements of Project44 A/S for the financial year 01.01.2022 - 31.01.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of 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 Entity's financial position at 31.01.2022 and of the results of its operations for the financial year 01.01.2022 - 31.01.2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Entity 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.

### 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

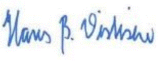
Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Aalborg, 07.07.2022

**EY Godkendt Revisionspartnerselskab**

CVR No. 30700228

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**Hans B. Vistisen**

State Authorised Public Accountant

Identification No (MNE) mne23254

# Management commentary

## Primary activities

The Company's main activities are to develop and market middleware DaaS and SaaS software services for supply chain freight visibility.

## Development in activities and finances

Result before tax amounts to 326k for the 1 month period 31 January 2022 compared to 31,347k for the 12 months ended 31 December 2021

## Liquidity, financing and capital situation

The Company has in the financial year lost the share capital due to negative equity. The Company is therefore required by the Companies Act to make plans to restore the lost share capital.

The Company is expected to restore equity based on future operations and capital from the Parent Company. The Parent Company has in accordance with the annual report note 1 signed letter of support stating to support the Company with the liquidity needed to meet its obligations as they mature.



# Income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
<b>Gross profit/loss</b>		<b>5,879</b>	<b>13,077</b>
Staff costs	2	(4,469)	(35,291)
Depreciation, amortisation and impairment losses		(42)	(559)
<b>Operating profit/loss</b>		<b>1,368</b>	<b>(22,773)</b>
Other financial expenses	3	(1,694)	(8,573)
<b>Profit/loss for the year</b>		<b>(326)</b>	<b>(31,346)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(326)	(31,346)
<b>Proposed distribution of profit and loss</b>		<b>(326)</b>	<b>(31,346)</b>

# Balance sheet at 31.01.2022

## Assets

	Notes	2022 DKK'000	2021 DKK'000
Leasehold improvements		913	955
<b>Property, plant and equipment</b>	4	<b>913</b>	<b>955</b>
<b>Fixed assets</b>		<b>913</b>	<b>955</b>
Trade receivables		30,866	18,491
Receivables from group enterprises		19,464	15,551
Other receivables		1,464	1,501
Prepayments		8,029	7,432
<b>Receivables</b>		<b>59,823</b>	<b>42,975</b>
<b>Cash</b>		<b>3,117</b>	<b>4,918</b>
<b>Current assets</b>		<b>62,940</b>	<b>47,893</b>
<b>Assets</b>		<b>63,853</b>	<b>48,848</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK'000</b>	<b>2021 DKK'000</b>
Contributed capital		1,600	1,600
Retained earnings		(85,726)	(85,400)
<b>Equity</b>		<b>(84,126)</b>	<b>(83,800)</b>
Other payables		2,627	2,627
<b>Non-current liabilities other than provisions</b>	<b>5</b>	<b>2,627</b>	<b>2,627</b>
Bank loans		6	11
Trade payables		4,472	4,196
Payables to group enterprises	6	116,185	110,229
Other payables		5,175	5,901
Deferred income		19,514	9,684
<b>Current liabilities other than provisions</b>		<b>145,352</b>	<b>130,021</b>
<b>Liabilities other than provisions</b>		<b>147,979</b>	<b>132,648</b>
<b>Equity and liabilities</b>		<b>63,853</b>	<b>48,848</b>
Going concern	1		
Unrecognised rental and lease commitments	7		
Contingent assets	8		
Assets charged and collateral	9		
Group relations	10		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	1,600	(85,400)	(83,800)
Profit/loss for the year	0	(326)	(326)
<b>Equity end of year</b>	<b>1,600</b>	<b>(85,726)</b>	<b>(84,126)</b>

# Notes

## 1 Going concern

The Company has received letter of support from the Parent Company Project44, Inc. which commits itself, on demand at one or more times to contribute to Project44 A/S the cash funds necessary for Project44 A/S to meet its obligations as they mature.

## 2 Staff costs

	<b>2022</b>	<b>2021</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Wages and salaries	4,238	32,630
Pension costs	219	2,513
Other social security costs	12	148
	<b>4,469</b>	<b>35,291</b>
Average number of full-time employees	<b>42</b>	<b>43</b>

## 3 Other financial expenses

	<b>2022</b>	<b>2021</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Financial expenses from group enterprises	435	4,527
Other interest expenses	1,259	4,046
	<b>1,694</b>	<b>8,573</b>

## 4 Property, plant and equipment

	<b>Leasehold improvements</b>
	<b>DKK'000</b>
Cost beginning of year	1,514
<b>Cost end of year</b>	<b>1,514</b>
Depreciation and impairment losses beginning of year	(559)
Depreciation for the year	(42)
<b>Depreciation and impairment losses end of year</b>	<b>(601)</b>
<b>Carrying amount end of year</b>	<b>913</b>

## 5 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK'000	Outstanding after 5 years 2022 DKK'000
Other payables	2,627	2,627
	<b>2,627</b>	<b>2,627</b>

Other payables concern holiday provision under the applicable Danish Holiday Act.

## 6 Payables to group enterprises

Payables to group enterprises consist of debt to Project44 Inc. from financing the activity in Project44 A/S.

## 7 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Liabilities under rental or lease agreements until maturity in total	<b>7,829</b>	<b>7,936</b>

## 8 Contingent assets

The company has an unrecognised deferred tax asset primarily regarding tax losses, which amounts to DKK 20.330 thousand as of January 31, 2022

## 9 Assets charged and collateral

To secure debt with bank connection, Project44 A/S has pledged account which amounts to DKK 200,000. As of 31 January 2022, the debt to bank amounts to DKK 6 thousand

## 10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Project44 Inc., Chicago IL, 60603 United States

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Non-comparability

The current figures comprises of 1 month from 01.01.2022 to 31.01.2022, whereas the comparative figures comprises of 12 months from 01.01.2021 to 31.12.2021 and are therefore not comparable.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

### Revenue

Revenue from sales of software as a service (SaaS) and data as a service (DaaS) is recognized in the income statement when delivery and the risk transition to the buyer has taken place. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

### Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of property, plant and equipment.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

## Balance sheet

### Property, plant and equipment

Leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Leasehold improvements	3 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and



doubtful debts.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

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

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.