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BDO Statsautoriseret revisionsaktieselskab
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CVR-no. 20 22 26 70

APPVESTOR APS

GLADSAXEVEJ 342, 2860 SØBORG

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 24 February 2023

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Claudia Dreier-Pöpperl
Chairman of the General Meeting

CVR NO. 37 61 49 04

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COMPANY DETAILS

Company	Appvestor ApS Gladsaxevej 342 DK-2860 Søborg CVR no.: 37 61 49 04 Established: 13 April 2016 Municipality: Gladsaxe Financial Year: 1 January – 31 December 2022
Executive Board	Mathias Ole Schrøder, CEO
Board of Directors	Claudia Dreier-Pöpperl, Chairman Mathias Ole Schrøder Mads Fromholt Poulsen
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 DK-1561 Copenhagen V
General Meeting	The Annual General Meeting is held on 24 February 2023 online.

MANAGEMENT'S STATEMENT

Today the Board of Directors and the Executive Board have discussed and approved the Annual Report of Appvestor ApS for the year 1 January – 31 December 2022.

The Annual Report is presented in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of the Group's and the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Company's operations and cash flows for the financial year 1 January – 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

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

Gladsaxe, 24 February 2023

Executive Board:

Mathias Ole Schrøder
CEO

Board of Directors:

Claudia Dreier-Pöpperl Chairman	Mathias Ole Schrøder	Mads Fromholt Poulsen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Appvestor ApS

Opinion
We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Appvestor ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for both the Group and the Parent Company, and cash flow statement and total income statement for the Group. The Consolidated Financial Statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements give a true and fair view of the financial position of the Group at 31 December 2022, and of the results of the Group operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with the International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act.

Furthermore, it is our opinion that the Parent Company Financial Statements give a true and fair view of the financial position of the Parent Company at 31 December 2022, and of the results of the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements. However, we found that Management's Review do not contain the required information regarding outlook according to the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements
Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and Parent Company 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group and the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Copenhagen, 24 February 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Mads Juul Hansen
State Authorised Public Accountant
MNE no. mne44386

FINANCIAL HIGHLIGHTS OF THE GROUP

	2022 EUR'000	2021 EUR'000	2020 EUR'000	2019 EUR'000
Key figures				
Gross profit/loss	7,615	7,265	9,899	10,879
Operating profit/loss	-2,139	-471	2,477	1,925
Net financials	-85	-94	-235	-55
Profit/loss for the year	-2,307	-745	1,452	1,057
Balance sheet total	12,014	15,456	15,932	20,098
Investments in property, plant and equipment	-23	-15	-1,430	61
Equity	5,944	8,362	9,668	8,597
Ratios				
Equity ratio (%)	49.48	54.10	60.69	42.77

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Equity ratio (%)

$$\frac{\text{Equity x 100}}{\text{Balance sheet total}}$$

The comparative figures have been adjusted for the change of accounting policy for the years 2019-2021. See further description, in the annual report 2021 which describes the change of accounting policy for the affected years.

MANAGEMENT COMMENTARY

Principal activities
The object of the Group is to develop, sell and distribute digital advertising solutions and every activity related thereto.

Uncertainty relating to recognition and measurement
There have been no special circumstances regarding recognition and measurement that should be mentioned in order to assess the Group's performance.

Development in activities and finances
The income statement for the period 1 January – 31 December 2022 shows a total comprehensive loss of EUR'000 2,418 against a total comprehensive loss of EUR'000 762 for the period 1 January – 31 December 2021. The balance sheet shows equity of EUR'000 5,944.

The management considers the revenue performance as well as the overall operating result before depreciation, amortization and impairment losses to be satisfactory and as expected given the market conditions experienced in 2022 and aggressive growth strategy execution regarding User Aqusition and onboarding of new staff in 2022.

Outlook
The Group expects to continue to execute on its growth strategy in 2023 by investing in User Acquisition with an expected net turnover growth as well as improving its EBITDA-margin.

Knowledge resources
The corporation between research and development, production, marketing, sales and customer support is critical for the company's continued growth. An essential prerequisite for this is the acquisition and sharing of knowledge. As a result of the company's continued growth in the number of employees, the requirements for efficient knowledge sharing have been further strengthened.

Particular risks
Management believes that there are no specific risks affecting the Group's operations and balance sheet beyond what is considered normal for the industry.

Currency risks
Activities abroad mean that cash flows and equity are affected by exchange rates and interest rate development. Primarily USD has an effect on the part of the revenue that is in USD, whereas the effect on the other currencies, where the EUR is the most significant, do not represent significant risk. Currency risks are monitored on an ongoing basis.

Environmental performance
Management believes that the Group's operations do not affect the environment.

Research and development activities
The Group holds cost for developing and maintaining the company's product portfolio, as well as other industry specific conditions.

Events after the balance sheet date
Subsequent to the end of the financial year, no significant events have occurred that could materially affect the assessment of the concern's financial position.

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2022 EUR'000	2021 EUR'000
Revenue	4	24,090	15,898
Cost of sales		-13,710	-6,244
Other external expenses		-2,765	-2,389
GROSS PROFIT		**7,615**	**7,265**
Staff costs	5	-6,760	-4,756
EBITDA		**855**	**2,509**
Depreciation, amortisation and impairment losses	6	-2,994	-2,980
OPERATING LOSS		**-2,139**	**-471**
Financial income	7	1	14
Financial expenses	8	-86	-108
LOSS BEFORE INCOME TAXES		**-2,224**	**-565**
Tax on profit/loss for the year	9	-83	-180
LOSS FOR THE YEAR	10	**-2,307**	**-745**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations	10	-111	-17
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**-111**	**-17**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-2,418**	**-762**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2022 EUR'000	2021 EUR'000
Completed development projects		209	0
Acquired rights		83	108
Software		0	1,421
Customer contracts		3,558	4,744
Development projects in progress		630	288
Intangible assets	11	**4,480**	**6,561**
Other fixtures, fittings and operating equipment	12	19	49
Leasehold improvements	12	206	255
Right-of-use assets	13	574	770
Property, plant and equipment		**799**	**1,074**
Deposits	14	141	290
Other receivables		30	37
Financial assets		**171**	**327**
TOTAL NON-CURRENT ASSETS		**5,450**	**7,962**
Trade receivables	15	2,594	2,641
Deferred tax assets	9	1,009	805
Income tax receivables		67	0
Other receivables		79	85
Prepayments		252	29
Receivables		**4,001**	**3,560**
Cash		**2,563**	**3,934**
CURRENT ASSETS		**6,564**	**7,494**
ASSETS		**12,014**	**15,456**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2022 EUR'000	2021 EUR'000
Share capital	17	7	7
Translation reserve		-134	-23
Retained earnings		6,071	8,378
EQUITY		**5,944**	**8,362**
Other payables	18	1,039	1,573
Lease liabilities	20	409	613
Credit institutions	18	875	1,000
Non-current liabilities		**2,323**	**3,186**
Lease liabilities	20	269	242
Credit institutions	18	167	50
Trade payables		1,682	1,133
Income tax payables		26	21
Other payables		1,603	2,462
Current liabilities		**3,747**	**3,908**
LIABILITIES		**6,069**	**7,094**
EQUITY AND LIABILITIES		**12,014**	**15,456**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2022 EUR'000	Share capital	Retained earnings	Translation reserve	Total
Balance at 1 January	7	8,378	-23	8,362
Other comprehensive income	0	0	-111	-111
Net profit/loss for the period	0	-2,307	0	-2,307
Business acquisition	0	0	0	0
Balance at 31 December	**7**	**6,071**	**-134**	**5,944**

2021 EUR'000				
Balance at 1 January	7	9,671	-6	9,672
Other comprehensive income	0	0	-17	-17
Net profit/loss for the period	0	-745	0	-745
Business acquisition	0	-548	0	-548
Balance at 31 December	**7**	**8,378**	**-23**	**8,362**

CASH FLOW STATEMENT

	Note	2022 EUR'000	2021 EUR'000
Operating profit/loss		-2,139	-471
Depreciation, amortisation and impairment losses		2,990	2,980
Change in work capital	16	-751	33
Financial income received		1	14
Financial expenses paid		-86	-108
Taxes refunded/paid		-347	-1,131
Exchange differences from comprehensive income		-111	-17
Cash flow from operating activities		**-443**	**1,300**
Acquisition etc. of intangible assets		-564	-384
Acquisition etc. of property, plant and equipment		-23	-20
Acquisition of fixed asset investments		-7	-157
Sale of property, plant and equipment		0	3
Sale of fixed asset investments		156	0
Entry into group, subsidiary		0	690
Cash flow from investing activities		**-438**	**132**
Repayments of loans etc.		-482	-685
Changes in bank loans		-8	1,026
Cash flow from finance activities		**-490**	**341**
INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**-1,371**	**1,773**
Cash and cash equivalents beginning of year		3,934	2,161
Cash and cash equivalents end of year		**2,563**	**3,934**
Cash and cash equivalents at year-end are composed of:			
Cash		2,563	3,934
Cash and cash equivalents end of year		**2,563**	**3,934**

NOTES

1. Accounting policies
2. Adoption of new and amended standards
3. Critical accounting judgements and key sources of estimation uncertainty
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5. Staff costs
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22. Related parties
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NOTES

Note

Accounting policies 1

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and additional Danish disclosure requirements for the financial statements of reporting class C enterprises cf. the Danish Executive Order on Adoption of IFRSs ("IFRS-bekendtgørelsen") issued in accordance with the Danish Financial Statements Act ("DFSA").

Change in presentation currency

The financial statements were presented in Danish kroner (DKK) in the consolidated financial statement for 2021. The presentation currency has in 2022 been changed to Euro (EUR) for the consolidated financial statement due to an internationalized outlook for the group. The functional currency of the Group is DKK. Therefore, the presentation currency EUR is different from Appvestor ApS' functional currency DKK.

Basis of preparation

The financial statements are presented in EUR. All amounts have been rounded to nearest EUR thousand, unless otherwise indicated. The financial statements have been prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values.

For the purpose of clarity, the financial statements and the notes to the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the financial statements. Similarly, information not considered material is not presented in the notes.

The accounting policies, except as described above, have been applied consistently during the financial year and for the comparative figures.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Appvestor ApS (the Parent) and subsidiaries which are entities controlled by Appvestor ApS. The Group controls an entity when it directly or indirectly owns more than 50 % of the voting rights or may otherwise exercise a controlling influence.

The subsidiaries below are consolidated into the group from the date of the entry into the group.

Name	Country	Entry into group	Ownership
Adaffix GmbH	Austria	1/1 2019	100 %

Principles of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries.

The consolidated financial statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions, internal shareholdings and balances and unrealized intercompany gains or losses. The financial statements used for consolidation are prepared in accordance with the Group's accounting policies.

The accounting items of subsidiaries are recognized 100 % in the consolidated financial statements. Investments in subsidiaries are offset by the interest's share of subsidiaries' net assets at the acquisition date at fairvalue.

Accounting policies are described in full in this note below.

NOTES

Note

Accounting policies (continued) 1

Foreign currency translation
Transactions denominated in currencies other than the functional currency are considered transactions in foreign currency.

On initial recognition, transactions denominated in foreign currencies are translated to the functional currency applying the exchange rates at the transaction date. Foreign exchange rate adjustments arising between the transaction date and the date of payment are recognized in the income statement under financial income or financial expenses.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date of transaction or the exchange rate in the latest financial statements is recognized in the income statement under financial income or financial expenses.

Cash flow statement
The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and finance activities for the year as well as the Group's cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities are calculated based on operating profit/loss, adjusted for the cash flow effect of non-cash operating items, working capital changes, financial expenses paid and income tax paid.

Cash flows from investing activities comprise payments in connection with the acquisition and sale of non- current intangible assets, property, plant and equipment as well as financial assets.

Cash flows from finance activities comprise payments arising from changes in the size or composition of the Group's share capital and dividend paid. Cash and cash equivalents comprise cash at bank and in hand.

INCOME STATEMENT

Revenue
The Group recognizes revenue from the following major sources being advertising revenue, data deals and other. Revenue mainly arise from sale of advertising space and from other revenue in relation to outbound transactions.

Revenue recognition requires an agreement with the customer, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and exclude amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of the ad space to a customer. All revenue is derived from contracts with customers.

NOTES

Note

Accounting policies (continued) 1

Advertising revenue

Advertising revenues are generated when the Group sells ad space, through internal apps or external publishers. Ad sales are sold through agreements with various advertising networks. As the Group does not have access to information about the price the advertiser actually pays to the advertising network, Appvestor ApS considers the advertising networks to be the Group's customers.

As the Group uses advertising networks to sell ad space to end customers, other parties are involved in the transaction, and consequently The Group and the advertising network, or brokers, receive unequal shares of gross revenue from end customers. An assessment is made of whether the Group has control over the service the customer buys before it is transferred in order to determine whether the Group is the principal or the agent in these transactions. This includes evaluation of whether the Group can set the price of the service at its discretion and whether it has primary responsibility for providing the service, including responsibility for the acceptability of the service. The Group has determined that the Group controls the service before it is transferred and thus considers itself to be the principal in the transactions.

The transaction prices are primarily variable regarding CPM (Cost Per Mille). The Group recognizes revenue progressively as the performance obligations are satisfied, which is when the customer gains control over the asset. The Group has determined that control is transferred at a point in time, as the advertiser receives and consumes the benefits provided at once.

Data deals

Revenue for data deals is generated when the Group deliver anonymized, quantitative data on consumer behavior to customers. Data deals are sold on price per unit for the relevant transaction and customers are paying based on the result of approved transactions/qualifying data deals. The Group recognizes revenue progressively as the performance obligations are satisfied, which is when the customer gains control over the asset. The Group has determined that control is transferred at a point in time, as the customer receives the data.

Service provision

Revenue is generated from mobile network operators by providing technology that enhances missed call notifications with the callers name.

Other revenue

Other revenue consists of fee for administration of the managed ad spend made through the group's platform and more.

Cost of sales

Cost of sales comprise costs incurred to achieve the year's revenue including hosting and transaction costs.

Other external costs

Other external costs comprise sales and marketing costs, external consultancy costs, other employee-related costs, IT and software costs, external publisher relations costs, loss allowances for doubtful trade receivables and other administrative expenses.

NOTES

Note

Accounting policies (continued) **1**
Staff costs
Staff costs consist of salaries, sales commissions, bonuses, pensions and social costs, vacation pay, and other benefits. Salaries, bonuses, pensions and social costs, vacation pay, and other benefits are recognized in the year in which the associated services are rendered by the employees.

Other operating income and expenses
Other operating income and other operating expenses comprise income and expenses of a secondary nature relative to the principal activities of the Group.

Financial income and financial expenses
Financial income and expenses include interest income, interest expense, amortization of borrowing issue costs and realized and unrealized exchange gains and losses.

Tax
Tax on the profit/loss for the year comprises the year's current tax and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to items recognized in other comprehensive income and directly in equity, respectively, is recognized in other comprehensive income or directly in equity. Exchange rate adjustments of deferred tax are recognized as part of the adjustment of deferred tax for the year.

Current tax payable and receivable is recognized in the balance sheet as the expected tax on the taxable income for the year, adjusted for tax paid on account. The current tax charge for the year is calculated based on the tax rates and rules enacted at the balance sheet date.

Deferred tax is calculated using the liability method on all temporary differences between the accounting and taxable values of assets and liabilities.

Deferred tax assets are assessed yearly and only recognized to the extent that it is more likely than not that they can be utilized. Deferred tax assets, including the tax value of tax losses carried forward, are recognized as other non-current assets and measured at the amount at which they are expected to be realized, either by setting off deferred tax liabilities or by setting off tax on future earnings within the same legal entity or a jointly taxed entity.

Deferred tax is measured based on the tax legislation and statutory tax rates in the respective countries that will apply under the legislation in force on the balance sheet date when the deferred tax asset is expected to crystallize as current tax. Changes in deferred tax resulting from changes in tax rates are recognized in the income statement.

The Group recognizes deferred tax assets relating to losses carried forward when Management finds that these can be offset against taxable income in the foreseeable future. An assessment is made taking into consideration the effect of restrictions in utilization in local tax legislation. Future taxable income is assessed based on budgets as well as Management's expectations regarding growth and operating margin in the coming years.

Note

Accounting policies (continued) **1**
BALANCE SHEET

Development projects
Intangible assets with determinable useful lives comprise completed development projects and are measured at cost less accumulated amortization and impairment losses. Completed development projects by the Group are recognized as an asset if the cost of development is reliably measurable and an analysis shows that future economic benefits from using the software exceed the cost. Cost is defined as development costs incurred to make the software ready for use and consists primarily of direct salaries and other directly attributable development costs.

Once a software application has been developed, the cost is amortized over the expected useful life on a straight-line basis. The amortization period used for completed development projects are 1-5 years. If the useful life cannot be estimated, it is tested for impairment yearly or if indications of impairment arise.

Amortization and impairment charges are recognized in the income statement.

Expected useful lives are reassessed regularly. The Group regularly reviews the carrying amounts of its finite-lived intangible assets to determine whether there is an indication of an impairment loss.

Intellectual property rights
Intellectual property rights etc. comprises acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortization. Licenses, software etc. are amortized on a straight-line basis over the term of the agreement.

The amortization periods used are 5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Software and software property rights
Software etc. comprises acquired intellectual software and software property rights.

Software and software property rights acquired are measured at cost less accumulated amortization. Software and software property rights is amortized on a straight-line basis over the expected useful lives.

The amortization periods used are 5 years.

Software and software property rights etc. are written down to the lower of recoverable amount and carrying amount.

Customer contracts
Customer contracts etc. comprises acquired existing customer contracts and all future income generated from these.

Customer contracts acquired are measured at cost less accumulated amortization. Customer contracts are amortized on a straight-line basis over their expected remaining duration.

The amortization periods used are 7 years.

NOTES

Note

Accounting policies (continued) 1
Customer contracts etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Property, plant and equipment comprises other fixtures and fittings, tools and equipment and are measured at cost less accumulated depreciation and accumulated impairment. Other fixtures and fittings, tools and equipment are depreciated on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

	Useful life
Other fixtures and fittings, tools and equipment........................	3-5 years
Leasehold improvements..	10 years

Property, plant and equipment is tested for impairment if indications of impairment exist. Property, plant and equipment is written down to its recoverable amount if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use. Depreciation and impairment charges are recognised in the income statement.

Leases
When entering into an agreement, the Group assesses whether an agreement is a lease agreement or contains a lease element.

The right-of-use asset is measured at cost, which is calculated as the present value of the lease obligation plus any direct costs related to the entering into of the lease and prepaid lease payments.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset.

The Group leases properties which include a service element in the payments to the lessor. This service is deducted from the lease payment when measuring the lease obligation. Where the Group cannot reliably separate lease and non-lease items, it is considered a single lease payment.

Short leases with a maximum lease term of 12 months and leases where the underlying asset has a low value are not recognized in the statement of financial position.

The lease term is defined as the non-cancellable period of a lease together with periods covered by options to extend the lease if it is reasonably certain that the options will be exercised and periods covered by options to terminate the lease if it is reasonably certain that the options will not be exercised. A number of leases contain extension and termination options in order to guarantee operational flexibility in managing the leases.

The lease obligation, which is recognized under "Lease liabilities", is measured at the present value of the remaining lease payments, discounted by the Group's incremental loan interest rate, if the implicit interest rate is not stated in the lease agreement or cannot reasonably be determined. The lease obligation is subsequently adjusted if:

- The value of the index or interest rate on which the lease payments are based changes.
- There is a change in the exercise of options to extend or shorten the lease period due to a material event or a material change in circumstances which is within the control of the lessee.
- The lease term is changed as a result of exercising an option to extend or shorten the lease term.

NOTES

Note

Accounting policies (continued) 1
Subsequent adjustments of the lease obligation are recognized a correction to the right-of-use asset. However, if the right-of-use asset has a value of EUR'000 0, a negative reassessment of the right-of-use asset is recognized in the income statement.

Deposits
On initial recognition, deposits are measured at fair value and subsequently at amortized cost less impairment losses, if any.

Trade receivables
For trade receivables, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and, in respect of trade receivables, a general provision is also made based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking any credit enhancements held by the Group into account. Trade receivables are written off when all possible options have been exhausted and there is no reasonable expectation of recovery.

The cost of allowances for expected credit losses and write-offs for trade receivables are recognized in the income statement under other external expenses.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables in note 15. The Group does not hold collateral as security.

Cash and cash equivalents
Cash comprises bank deposits and cash in hand.

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

Interest-bearing liabilities
Interest-bearing liabilities are measured at amortized cost.

Trade payables and other payables
Other payables include bonus and commission accruals, vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

Group internal business combination
The consolidated financial statements incorporate the results of group internal business combinations using the combination method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at their booked values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

NOTES

Note

Adoption of new and amended standards 2

The new and amended Standards and Interpretations that have been issued, but are not yet effective, up to the date of issuance of the Group's financial statements, are disclosed below. The Group intends to adopt these new and amended Standards and Interpretations, if applicable, when they become effective.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, effective 1 January 2023.
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, effective 1 January 2023.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, effective 1 January 2023
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current, effective 1 January 2024.
- Amendments to IAS 8 Presentation of Financial Statements: Non-current Liabilities with Covenants, effective 1 January 2024.

The Group does not expect any material impact from the issued, but not yet effective IFRS standards that have not been implemented.

Critical accounting judgements and key sources of estimation uncertainty 3

As part of the preparation of the financial statements, Management makes a number of accounting estimates and assumptions as a basis for recognizing and measuring the Group's assets, liabilities, income and expenses as well as judgements made in applying the entity's accounting policies. The estimates, judgements and assumptions made are based on experience gained and other factors that are considered prudent by Management in the circumstances, but which are inherently subject to uncertainty and volatility.

The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur, for which reason the actual results may differ from the estimates and judgements made. The accounting policies are described in detail in note 1 to the financial statements to which we refer.

Management considers the following accounting estimates and judgements to be significant in the preparation of the financial statements.

Development costs

The Group capitalizes costs for software development projects. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits. At 31 December 2022, the carrying amount of capitalized development costs was EUR'000 839 (2021: EUR'000 288).

NOTES

Note

Critical accounting judgements and key sources of estimation uncertainty (continued) 3
Determining the lease term of contracts with renewal and termination options - Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that The Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by The Group. The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur, for which reason the actual results may differ from the estimates and judgements made.

Segment information 4
For management purposes and based on internal reporting information, The Group is organized in only one operating segment, as the information reported includes operating results at a consolidated level only. The group setup and costs related to the main nature of the business are not attributable to any specific revenue stream or customer type and are therefore born centrally. The results of the single reporting segment are shown in the statement of comprehensive income.

The Group does not follow the disclosures of segment information in IFRS 8.

Revenue

EUR'000	Advertising revenue	Data deals	Service provision	Other	Total
31 December 2022					
Revenue.............................	19,697	3,168	799	426	**24,090**
31 December 2021					
Revenue.............................	12,616	2,269	907	106	**15,898**

NOTES

	2022 EUR'000	2021 EUR'000	Note
Staff costs			**5**
Wages and salaries	6,444	4,583	
Pension costs	352	247	
Other social security costs	49	39	
Other staff costs	464	175	
Capitalised staff costs	-549	-288	
Total	**6,760**	**4,756**	
Average numbers of employees during the year	68	55	
Board of Directors and Key Management Personnel			
Remuneration	700	761	
	700	**761**	

Employment contracts for members of the Key Management Personnel contain terms and conditions that are common to those of their peers in similar companies, including terms of notice and non-competitive clauses.

	2022 EUR'000	2021 EUR'000	Note
Depreciation, amortisation and impairment			**6**
Amortisation of intangible assets	2,644	2,641	
Depreciation of property, plant and equipment	99	102	
Depreciation of right-of-use assets	247	237	
Loss from asset disposals	4	0	
Total	**2,994**	**2,980**	
Financial income			**7**
Other financial income	1	14	
Total	**1**	**14**	
Financial expenses			**8**
Interest expenses	40	68	
Interest on lease liabilities	46	40	
Total	**86**	**108**	

NOTES

	2022 EUR'000	2021 EUR'000	Note
Tax for the year			9
Current tax	285	719	
Changes in deferred tax	-204	-540	
Adjustment concerning previous year	2	1	
Total	**83**	**180**	
Tax calculated as 22 % of profit/loss before tax	514	124	
Non-capitalised tax assets	-310	-31	
Non-deductible expenses	-28	-22	
Tax rate difference in relation to subsidiary	-35	-9	
Increased tax deduction, development projects (130 %)	37	19	
Asset not relevant to deferred tax	-261	-261	
Effective tax	**-83**	**-180**	
Tax rate for the year (%)	4%	33%	
Deferred tax (asset)	1,009	805	
Deferred tax (liability)	0	0	
Total	**1,009**	**805**	
Deferred tax concerns:			
Intangible assets	426	225	
Property, plant and equipment	18	-5	
Right-of-use assets	54	52	
Lease liabilities	-50	-48	
Tax loss carried forward	0	0	
Other taxable temporary differences	561	581	
Total	**1,009**	**805**	
Deferred tax at 1 January	805	265	
Recognised in the income statement	204	540	
Deferred tax at 31 December	**1,009**	**805**	
Proposed distribution of profit/loss			10
Retained earnings	-2,307	-745	
Other comprehensive income	-111	-17	
	-2,418	**-762**	

NOTES

Note

Intangible assets 11

2022 EUR'000	Completed development projects	Acquired rights	Software	Customer contracts	Development projects in progress
Cost at 1 January	0	406	7,106	8,302	288
Business combinations	0	0	0	0	0
Transfers	222	0	0	0	-222
Additions	0	0	0	0	564
Cost at 31 December	**222**	**406**	**7,106**	**8,302**	**630**
Amortization and impairment at 1 January	0	299	5,685	3,558	0
Business combinations	0	0	0	0	0
Amortization during the year	13	24	1,421	1,186	0
Amortization and impairment at 31 December	**13**	**323**	**7,106**	**4,744**	**0**
Carrying amount 31 December	**209**	**83**	**0**	**3,558**	**630**

2021 EUR'000					
Cost at 1 January	0	277	7,106	8,302	0
Business combinations	0	33	0	0	0
Transfers	0	0	0	0	0
Additions	0	96	0	0	288
Cost at 31 December	**0**	**406**	**7,106**	**8,302**	**288**
Amortization and impairment at 1 January	0	244	4,264	2,372	0
Business combinations	0	34	0	0	0
Amortization during the year	0	20	1,421	1,186	0
Amortization and impairment at 31 December	**0**	**298**	**5,685**	**3,558**	**0**
Carrying amount 31 December	**0**	**108**	**1,421**	**4,744**	**288**

Development projects in progress comprise of software development costs related to development of the platform, software engine and new products. The development project essentially consists of costs in the form of direct salaries and other direct project related costs, which are recorded through the company's internal project module and time registration.

It is Management's assessment that the expected useful lives of the finite-lived assets, as well as the expected future revenue streams from the assets, are sufficient to cover the value of recognized developed software at the reporting date.

In 2022, The Group expensed costs for development projects, primarily planning, administration and other general overhead expenditures not meeting the recognition criteria applicable to internally generated intangible assets.

As per the balance sheet date, completed development projects of a net book value of EUR'000 209 have a remaining depreciation period of 3 – 35 months.

Impairment testing

At least annually, the Group tests intangible assets with an indefinite useful life for impairment, i.e., internally generated intangible assets not yet available for use.

Consolidated development projects in progress are EUR'000 630 and completed development projects are EUR'000 209 at 31 December 2022.

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Note

Property, plant and equipment 12

2022 EUR'000	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January	197	340
Additions	0	23
Disposals	-16	-1
Cost at 31 December	**181**	**362**
Depreciation and impairment losses at 1 January	148	85
Depreciation for the year	28	71
Reversal regarding disposals	-14	0
Depreciation and impairment losses at 31 December	**162**	**156**
Carrying amount at 31 December	**19**	**206**

2021 EUR'000		
Cost at 1 January	204	334
Additions	4	6
Disposals	-11	0
Cost at 31 December	**197**	**340**
Depreciation and impairment losses at 1 January	121	18
Depreciation for the year	33	67
Reversal regarding disposals	-6	0
Depreciation and impairment losses at 31 December	**148**	**85**
Carrying amount at 31 December	**49**	**255**

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Note

Right-of-use assets 13

2022 EUR'000	Offices	Equipment	Total
Cost at 1 January	1,066	18	1,084
Variable lease payment adjustment	34	16	50
Additions	0	0	0
Cost at 31 December	**1,100**	**34**	**1,134**
Depreciation at 1 January	305	10	314
Depreciation during the year	240	7	247
Depreciation at 31 December	**545**	**17**	**562**
Carrying amount at 31 December	**557**	**17**	**574**

2021 EUR'000	Offices	Equipment	Total
Cost at 1 January	1,066	8	1,074
Additions	0	10	10
Cost at 31 December	**1,066**	**18**	**1,084**
Depreciation at 1 January	75	1	77
Depreciation during the year	228	9	237
Depreciation at 31 December	**305**	**10**	**314**
Carrying amount at 31 December	**762**	**8**	**770**

Carrying amounts of lease liabilities and movements during the period:

	2022 EUR'000	**2021** EUR'000
At 1 January	855	1,061
Additions	50	10
Accrual of interest	46	40
Payments	-273	-256
At 31 December	**678**	**855**
Non-current	**409**	**613**
Current	**269**	**242**

The maturity of lease liabilities is disclosed in note 19.

Depreciation expense of right-of-use assets	246	237
Interest expense on lease liabilities	46	40
Total amount recognised in the income statement	**292**	**277**

The Group had total outflow for leases of EUR'000 273 (2021: EUR'000 256). The Group leases offices, and lease terms are negotiated on an individual basis and contain different terms and conditions. As part of COVID-19, no rent concession has been received.

NOTES

	2022 EUR'000	2021 EUR'000	Note
Deposits			**14**
Cost at 1 January	290	133	
Additions	7	157	
Disposals	-156	0	
Cost at 31 December	**141**	**290**	
Trade receivables			**15**
Trade receivables	2,594	2,641	
Write-downs	0	0	
Total	**2,594**	**2,641**	

Expected credit loss
The following table details the maturity of trade receivables. The Group has assessed their expected credit losses on an individual level, and has deemed their expected losses immaterial, for which reason there has not been made a matrix for expected credit loss on groups of receivables, furthermore the historical losses on trade receivables are limited as shown in the maturity analysis.

EUR'000	Not past due	Overdue by 0-15 days	Overdue by 16-30 days	Overdue by >30 days	Write-downs	Carrying amount of receivables
31 December 2022						
Trade receivables	2,496	98	0	1	0	2,594
31 December 2021						
Trade receivables	2,475	134	33	0	0	2,641

In the financial year 2022 there has been recognized bad debts for EUR'000 0.

	2022 EUR'000	2021 EUR'000	
Working capital changes			**16**
Increase/decrease in receivables	-213	-1,021	
Increase/decrease in trade payables etc.	-538	1,054	
Other changes	0	0	
	-751	**33**	

NOTES

	2022 EUR'000	2021 EUR'000	Note
Share capital			**17**
At January 1 2020, the share capital consisted of 50,000 shares with a nominal value of EUR 0,1344 each (DKK 1 each).	7	7	
The shares are not divided into classes and carry no right to fixed income.			
At 31 December 2021	**7**	**7**	
Capital increase	0	0	
Share capital at 31 December 2022	**7**	**7**	
Interest-bearing liabilities			**18**
Non-current borrowings			
Other payables	1,039	1,247	
Income tax	0	0	
Bank loans	875	1,000	
Total	**1,914**	**2,247**	
Current borrowings			
Other payables	208	208	
Income tax	26	294	
Bank loans	167	50	
Total	**401**	**552**	

The carrying amount is by Management assessed to be equivalent to the fair value of the liabilities.

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Note

Financial risks 19

Capital Management
The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balances. The capital structure of the Group consists of net debt and equity. Management reviews the capital structure continually to consider if the current capital structure is in accordance with the Group's and shareholders' interests.

Financial risk management
Due to the nature of its operations, investments, and finance, the Group is exposed to a number of financial risks. It is Group policy to operate with a low risk profile so that currency risk, interest rate risk and credit risk only occur in commercial relations. The scope and nature of the Group's financial instruments appear from the income statement and statement of financial position in accordance with the accounting policies applied. Provided below is information about factors that may influence amounts, time of payment, or the reliability of future payments, where such information is not provided directly in the financial statements. This note addresses only financial risks directly related to the Group's financial instruments.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations towards the Group, resulting in a financial loss. The Group is exposed to credit risk primarily related to its trade and other receivables, receivables from group enterprises, contract assets and cash held at financial institutions. The Group considers accounts receivables in default when they are due more than 90 days, and the outstanding amount is written off when there is a court order of bankruptcy from the counterparty. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Foreign currency risk
Currency risk is the risk that arises from changes in exchange rates and affects the Group's result.

The general objective of the Group's currency risk management is to limit and delay any adverse impact of exchange rate fluctuations on earnings and cash flows and thus increase the predictability of the financial results. The Group also aims at balancing incoming and outgoing payments in local currency as much as possible as well as monitoring the development in exchange rates and adjust price lists when required.

The Group issues invoices in local currency, which is why the incoming cash flow reflects different currencies. Historically, EUR has been the predominant invoicing currency. The Group has in all material respects only transactions in EUR, DKK and USD. The foreign currency risk for DKK is limited due to a low volatility.

NOTES

Note

Financial risks (continued) 19

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

EUR'000	Assets 31 December 2022	Assets 31 December 2021	Liabilities 31 December 2022	Liabilities 31 December 2021
Currency				
USD	1,701	19	16	676
EUR	1,327	1,075	3,937	3,370
DKK	2,537	2,859	1,447	2,368
Other	0	0	1	3

Liquidity risk

The Group ensures sufficient liquidity resources by liquidity management. In order to limit the Group's counterparty risk, deposits are only made in well-reputed banks.

At 31 December 2022, the Group's cash and cash equivalents amounted to EUR'000 2,563 (2021: EUR'000 3,934). The cash reserve and expected cash flow for 2023 are considered to be adequate to meet the obligations of the Group as they fall due. Management are though having dialogue with banks to expand credit limit.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments which include estimated interest payments:

EUR'000	Less than 6 months	6 to 12 months	1 to 5 years	>5 years	Total
31 December 2022					
Interest-bearing liabilities	68	333	1,706	208	2,315
Lease liabilities	133	136	409	0	678
Trade and other payables	3,877	0	0	0	3,877
Total	**4,078**	**469**	**2,115**	**208**	**6,870**
31 December 2021					
Interest-bearing liabilities	344	208	1,706	541	2,799
Lease liabilities	121	121	613	0	855
Trade and other payables	3,206	166	341	0	3,713
Total	**3,671**	**495**	**2,660**	**541**	**7,367**

NOTES

Note

Financial risks (continued) 19
Interest rate risk
Interest rate risk arises in relation to interest-bearing assets and liabilities.

The Group's interest-bearing debt to credit institutions of EUR'000 1,000 at 31 December 2022 is subject to a variable rate of interest based on a 3-month CIBOR plus a premium of 1,85 %.

If market interest rates increased by one percentage point, the interest rate sensitivity as calculated based on the loan balance to credit institutions as per the end of 2022 would result in a yearly increase in interest expenses of EUR'000 10. A corresponding decrease in market interest rates would have the opposite impact.

Financial instruments	**2022**	**2021**
	EUR'000	EUR'000
Financial assets measured at amortised cost		
Deposits	141	290
Trade receivables	2,594	2,641
Other receivables	79	85
Cash	2,563	3,934
Total	**5,377**	**6,950**
Financial liabilities measured at amortised cost		
Interest-bearing loan	1,042	1,050
Trade payables	1,682	1,133
Other payables	1,603	2,462
Total	**4,328**	**4,645**

Classification of financial assets measured at amortized cost
Since the Group's financial instruments measured at amortized cost are either short-term and/or exposed to floating interest rates, Management has assessed that the carrying amount is a reasonable approximation of fair value.

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Note

Liabilities arising from finance activities 20

2022 EUR'000	Other borrowings	Lease liabilities	Total
Liabilities at 1 January	1,050	855	1,905
Variable lease payment adjustment	0	50	50
Loans raised	42	0	42
Repayments	-50	-227	-277
Liabilities at 31 December	**1,042**	**678**	**1,720**

2021 EUR'000	Other borrowings	Lease liabilities	Total
Liabilities at 1 January	23	1,062	1,085
Loans raised	1,077	10	1,087
Repayments	-50	-217	-267
Liabilities at 31 December	**1,050**	**855**	**1,905**

Business combination 21

Acquisition of shares in Adaffix GmbH

On 1 January 2019, Calldorado ApS acquired 100 % of the shares and voting rights in Adaffix GmbH in exchange for cash consideration.

Consideration transferred

The acquisition has been satisfied by cash considerations of EUR'000 9,000.

Strategic rationale and synergies

The intangible assets of EUR'000 8,302 arising from the acquisition is attributable to the acceleration of Calldorado's future growth as Adaffix is a perfect strategic fit that contributes to Calldorado's product offerings by longterm stabile costumer contracts, and low operations costs.

Transaction costs

Acquisition-related costs of EUR'000 21 have been charged to other external expenses in the income statement for the year.

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Note

Business combination (continued) 21

Earnings impact
Since the closing on 1 January 2019, Adaffix has contributed with revenue of EUR'000 1,034 and profit of EUR'000 680 in 2019, revenue of EUR'000 1,785 and profit of EUR'000 498 in 2020, revenue of EUR'000 907 and profit of EUR'000 207 in 2021 and revenue of EUR'000 799 and profit of EUR'000 370 in 2022.

The fair values of the identifiable assets and liabilities of Adaffix as at the date of the acquisition were:

EUR'000	Fair value recognized on acquisition
Assets	736
Net assets acquired	**736**
Customer contracts (note 10 "Intangible assets")	8,302
Purchase price (enterprise value)	**9,038**
Satisfied by:	
Cash	9,038
Total considerations transferred	**9,038**
Net cash outflow arising on acquisition:	
Cash consideration paid	9,038
Total cash outflow	**9,038**

Acquisition of shares in CIAmedia GmbH
On 1 January 2018, Calldorado ApS acquired 100 % of the shares and voting rights in CIAmedia GmbH in exchange for cash consideration. CIAmedia GmbH was afterwards merged with Calldorado ApS with accounting effect of 1 January 2018.

Consideration transferred
The acquisition has been satisfied by cash considerations of EUR'000 7,100.

Strategic rationale and synergies
The intangible assets of EUR'000 7,106 arising from the acquisition is attributable to the acceleration of Calldorado's future growth as CIAmedia is a perfect strategic fit that contributes to Calldorado's product offerings by providing significant software portfolio and more.

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Note

Business combination (continued) 21
Transaction costs
Acquisition-related costs of EUR’000 12 have been charged to other external expenses in the income statement for the year.

Earnings impact
As CIAmedia was merged into Calldorado after the acquisition, it is not possible to substantiate the acquired profit/loss since acquisition date nor revenue or profit/loss since 1 January 2019.

The fair values of the identifiable assets and liabilities of CIAmedia as at the date of the acquisition were:

EUR’000	Fair value recognized on acquisition
Assets	1,284
Net assets acquired	**1,284**
Software (note 10 “Intangible assets”)	7,106
Purchase price (enterprise value)	**7,106**
Satisfied by:	
Cash	8,390
Total considerations transferred	**8,390**
Net cash outflow arising on acquisition:	
Cash consideration paid	8,390
Total cash outflow	**8,390**

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Related parties 22

Shareholders	Registered office	Basis of influence
Claudia Dreier-Pöpperl	UK	40.31 %
Mathias Ole Schrøder	Denmark	5.62 %
John Grzegorz Lisek	Denmark	5.62 %
Nikolaus Futter	Austria	10.28 %
Hermann Futter	Austria	3.37 %
F-Call Telecom Service GmbH	Austria	8.85 %
Euro Save Media GmbH	Germany	15.58 %
Hightrade GmbH	Germany	10.37 %

There is no ultimate Parent, as no owner holds the majority of the voting rights.

Other related parties
Other related parties of the Group with significant influence comprise the Board of Directors and the Executive Board and their related parties. The transactions with the Board of Directors and the Executive Board only consist of normal remuneration as disclosed in note 5, other than transactions mentioned below.

All agreements relating to these transactions are based on market price (arm's length). The Company has the outstanding balances with related parties as per the below table:

Events after the reporting period 23
No events have occurred after the end of the financial year of material importance for the group's financial position.

Group relations 24
Name and registered office of the Parent preparing consolidated financial statements for the largest group: Appvestor ApS, Gladsaxevej 342, 2860 Søborg, CVR-no. 37 61 49 04.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Appvestor ApS, Gladsaxevej 342, 2860 Søborg, CVR-no. 37 61 49 04.

Charged and securities 25
The group has provided collateral for bank balances in cash amounting to EUR'000 161.

Contingent assets 26
The group has tax losses amounting to EUR'000 1,521 which is not recognized as a tax asset due to a conservative assessment by management. When the group is profitable tax losses will be recognized as a tax asset.

PARENT INCOME STATEMENT

	Note	2022 EUR'000	2021 EUR'000
GROSS PROFIT		**6,082**	**6,717**
Staff costs	2	-6,760	-4,755
EBITDA		**-678**	**1,962**
Depreciation, amortisation and impairment losses		-140	-136
OPERATING PROFIT/LOSS		**-818**	**1,826**
Income from investments in subsidiaries		-65	-789
Financial income		114	26
Financial expenses		-243	-87
PORIFT/LOSS BEFORE TAX		**-1,012**	**976**
Tax on profit for the year	3	-93	-426
PROFIT/LOSS FOR THE YEAR	4	**-1,105**	**550**

PROPOSED DISTRIBUTION OF PROFIT/LOSS

		2022 EUR'000	2021 EUR'000
Proposed dividend		0	0
Retained earnings		-1,105	550
PROFIT/LOSS FOR THE YEAR		**-1,105**	**550**

PARENT STATEMENT OF FINANCIAL POSITION

	Note	2022 EUR'000	2021 EUR'000
Development projects completed		209	0
Intangible fixed assets acquired		83	108
Development projects in progress and prepayments		630	288
Intangible assets	5	**922**	**396**
Other plant, machinery tools and equipment		19	49
Leasehold improvements		206	255
Property, plant and equipment	6	**225**	**304**
Equity investments in group enterprises		3,234	4,301
Rent deposit and other receivables		171	328
Financial non-current assets	7	**3,405**	**4,629**
NON-CURRENT ASSETS		**4,552**	**5,329**
Trade receivables		2,533	2,485
Deferred tax assets		425	518
Other receivables		81	85
Corporation tax receivable		67	178
Prepayments		245	28
Receivables		**3,351**	**3,294**
Cash and cash equivalents		**2,221**	**3,218**
CURRENT ASSETS		**5,572**	**6,512**
ASSETS		**10,124**	**11,841**

PARENT STATEMENT OF FINANCIAL POSITION

	Note	2022 EUR'000	2021 EUR'000
Share capital		7	7
Reserve for development costs		654	224
Retained earnings		4,793	6,330
TOTAL EQUITY		**5,454**	**6,561**
Other non-current liabilities		1,039	1,573
Non-current liabilities	8	**1,039**	**1,573**
Bank debt		42	50
Trade payables		1,680	1,128
Debt to group companies		396	0
Corporation tax payable		0	1
Other liabilities		1,513	2,528
Current liabilities		**3,632**	**3,707**
LIABILITIES		**4,670**	**5,280**
EQUITY AND LIABILITIES		**10,124**	**11,841**

PARENT STATEMENT OF CHANGES IN EQUITY

EUR'000	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January	7	224	6,330	6,561
Proposed profit allocation			-1,105	-1,105
Other legal bindings				
Capitalized development costs		564	-564	0
Foreign exchange adjustments			-2	-2
Depreciations		-13	13	0
Tax on changes in equity		**-121**	**121**	**0**
Equity at 31 December 2022	**7**	**654**	**4,793**	**5,454**

NOTES

1. Accounting policies
2. Staff costs
3. Tax on profit/loss for the year
4. Proposed distribution of profit/loss
5. Intangible assets
6. Property, plant and equipment
7. Financial non-current assets
8. Non-current liabilities
9. Contingencies etc.
10. Contingent assets
11. Charged and securities
12. Related party transaction
13. Subsequent events

NOTES

Note

Accounting policies 1

The separate parent financial statements have been incorporated in the annual report because a separate set of financial statements is required for the Parent under the Danish Financial Statements Act requirements for annual reports of reporting class C enterprises (medium) with additions of certain provisions for reporting class C (large).

The Annual Report is prepared consistently with the accounting principles applied last year, except as described below.

Change in presentation currency

The financial statements were presented in Danish kroner (DKK) in the financial statement for 2021. The presentation currency has in 2022 been changed to Euro (EUR) for the financial statement due to an internationalized outlook for the company. The functional currency of the company is DKK. Therefore, the presentation currency EUR is different from the company's functional currency DKK.

Recognition and measurement

Assets are recognized 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 recognized 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 recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, no cash flow statement have been prepared.

Merger

Management has in the financial year 2022 merged Appvestor ApS (former Calldorado ApS) with its group company, Appvestor ApS (former Appvestor ApS), with Appvestor ApS (former Calldorado ApS) as the continuing company.

Merger acquisitions within the group are recognized in the financial statement in accordance with the combination method. The combination method is applied when acquiring enterprises within the Group according to which method the combination is regarded as having taken place from the earliest financial period included in the Financial Statements and using the carrying amounts of the assets and liabilities taken over.

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Note

Accounting policies (continued) 1
INCOME STATEMENT

Gross profit/loss
Gross profit or loss comprise revenue, own work capitalized, other operating income, cost of sales and external expenses with reference to section 32 of the Danish Financial Statements Act.

Revenue
Revenue from the sale of services is recognized in the income statement when delivery is made to the buyer. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the entity's primary activities.

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory write-downs.

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. This item also includes write-downs of receivables recognized in current assets.

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

Depreciation, amortization and impairment losses
Depreciation, amortization and impairment losses relating to property, plant and equipment and intangible assets comprises depreciation, amortization and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income
Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortization of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortization of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

NOTES

Note

Accounting policies (continued) 1
BALANCE SHEET

Intellectual property rights etc.
Intellectual property rights etc. comprises development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilization, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognized as intangible assets. Other development costs are recognized as costs in the income statement as incurred. When recognizing development projects as intangible assets, an amount equaling the costs incurred less deferred tax is taken to equity under reserve for development costs that are reduced as the development projects are amortized and written down.

The cost of development projects comprises costs such as salaries and amortization that are directly and indirectly attributable to the development projects. Completed development projects are amortized on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated, it is impairment tested yearly.

For development projects protected by intellectual property rights, the maximum period of amortization is the remaining duration of the relevant rights. The amortization periods used are 1-5 years. Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated. 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:

	Useful life
Other fixtures and fittings, tools and equipment.......................	3 years
Leasehold improvements..	5 years

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.

Investments in group enterprises
Investments in group enterprises are measured under the equity method, which is regarded as a measuring method/consolidation method. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

NOTES

Note

Accounting policies (continued) 1
Income tax payable or receivable
Current tax payable or receivable is recognized in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

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

Cash
Cash comprises cash in hand and bank deposits.

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

	2022 EUR'000	2021 EUR'000	Note
Staff costs			2
Average number of employees	68	55	
Wages and salaries	6,444	4,583	
Pensions	352	247	
Social security costs	49	39	
Other staff costs	464	174	
Capitalised staff costs	-549	-288	
	6,760	**4,755**	
Remuneration of Board of Directors	700	761	
	700	**761**	
Tax on profit for the year			3
Calculated tax on taxable income of the year	0	-50	
Adjustment of tax in previous years	0	-1	
Adjustment of deferred tax	-93	-375	
	-93	**-426**	
Proposed distribution of profit/loss			4
Retained earnings	-1,105	550	
	-1,105	**550**	

NOTES

Note

Intangible assets 5

2022 EUR'000	Completed development projects	Intangible fixed assets acquired	Development projects in progress and prepayments
Cost at 1 January	0	373	288
Additions	0	0	564
Transfers	222	0	-222
Cost at 31 December	**222**	**373**	**630**
Amortization at 1 January	0	265	0
Amortization for the year	13	25	0
Amortization at 31 December	**13**	**290**	**0**
Carrying amount at 31 December	**209**	**83**	**630**

Development projects in progress comprise of software development costs related to development of the platform, software engine and new products. The development project essentially consists of costs in the form of direct salaries and other direct project related costs, which are recorded through the company's internal project module and time registration.

It is Management's assessment that the expected useful lives of the finite-lived assets, as well as the expected future revenue streams from the assets, are sufficient to cover the value of recognized developed software at the reporting date.

In 2022, the company expensed costs for development projects, primarily planning, administration and other general overhead expenditures not meeting the recognition criteria applicable to internally generated intangible assets.

The carrying amount of development projects in progress are EUR'000 630 and completed development projects are EUR'000 209 at 31 December 2022.

The company's development projects is expected to provide profitable earnings.

Property, plant and equipment 6

2022 EUR'000	Other plant, machinery tools and equipment	Leasehold improvements
Cost at 1 January	197	340
Additions	0	23
Disposals	-16	-1
Cost at 31 December	**181**	**362**
Depreciation and impairment losses at 1 January	148	85
Reversal of depreciation of assets disposed	-14	0
Depreciation for the year	28	71
Depreciation and impairment losses at 31 December	**162**	**156**
Carrying amount at 31 December	**19**	**206**

NOTES

Note

Financial non-current assets 7

2022 EUR'000	Equity investments in group enterprises	Rent deposit and other receivables
Cost at 1 January	9,038	328
Additions	0	7
Disposals	0	-164
Cost at 31 December	**9,038**	**171**
Revaluation at 1 January	-420	0
Dividend	-999	0
Profit/loss for the year	931	0
Exchange adjustments	-5	0
Revaluation at 31 December	**-493**	**0**
Impairment losses and amortization of goodwill at 1 January	-4,318	0
Exchange adjustments	3	0
Amortization of goodwill	-996	0
Impairment losses and amortization of goodwill at 31 December	**-5,311**	**0**
Carrying amount at 31 December	**3,234**	**171**

Goodwill
Goodwill relating to investments in group enterprises amounts to EUR'000 2,989.

Investment in subsidiaries

Name and domicile	Equity	Profit/loss for the year	Ownership
Adaffix GmbH, Austria	245	931	100 %

Non-current liabilities 8

	31/12 2022 total liabilities (before repayment next year)	Repayment next year	Debt outstanding after 5 years	31/12 2021 total liabilities
Other non-current liabilities	1,247	208	208	1,573
	1,247	**208**	**208**	**1,573**

NOTES

	Note
Contingencies etc. The company has concluded lease agreements with terms to maturity in 2025 with a total of EUR'000 1,234.	**9**
Contingent assets The company has tax losses amounting to EUR'000 1,521 which is not recognized as a tax asset due to a conservative assessment by management. When the company is profitable tax losses will be recognized as a tax asset.	**10**
Charged and securities The company has provided collateral for bank balances in cash amounting to EUR'000 161.	**11**
Related party transaction The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.	**12**
Subsequent events No events have occurred after the end of the financial year of material importance for the Company's financial position.	**13**