

# Advanced Traffic Systems ApS

Slotsgade 27, 2., 9000 Aalborg  
CVR no. 39 14 70 76

## Annual report for 2022

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 17.05.23

Andreas Berre Eriksen  
Dirigent

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### The company

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Advanced Traffic Systems ApS  
Secondary firm name: Intelli-Go ApS  
c/o Ambolt ApS  
Slotsgade 27, 2.  
9000 Aalborg  
Registered office: Aalborg  
CVR no.: 39 14 70 76  
Financial year: 01.01 - 31.12

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### Executive Board

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Andreas Berre Eriksen

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### Board of Directors

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Steen Palle Petersen  
John Stefan Sytmen  
Kim Guldstrand Larsen  
Erik Hougaard

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### Auditors

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Beierholm  
Statsautoriseret Revisionspartnerselskab

## Statement by the Executive Board and Board of Directors on the annual report

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We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Advanced Traffic Systems ApS.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.22 and of the results of the company's activities for the financial year 01.01.22 - 31.12.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Aalborg, April 28, 2023

### Executive Board

Andreas Berre Eriksen

### Board of Directors

Steen Palle Petersen  
Chairman

John Stefan Sytmen

Kim Guldstrand Larsen

Erik Hougaard

**To the capital owners of Advanced Traffic Systems ApS****Opinion**

We have audited the financial statements of Advanced Traffic Systems ApS for the financial year 01.01.22 - 31.12.22, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.22 and of the results of the company's operations for the financial year 01.01.22 - 31.12.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Statement regarding the management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

**Management's responsibility for the financial statements**

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aalborg, April 28, 2023

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Jesper Lundtoft Sandal

State Authorized Public Accountant  
MNE-no. mne35822

**Primary activities**

The objective of the company is to develop and optimize advanced traffic systems and to carry out any related business.

**Uncertainty concerning recognition and measurement**

In the financial statements for the financial year 01.01.22 - 31.12.22, it is important to note the following uncertainty with regard to recognition and measurement, as it has had a significant influence on the assets and liabilities recognised in the financial statements:

Activated development costs regarding design and development of an algorithm to control traffic signals. The company measures the project at cost based on numbers of hours spent. The project is included based on the assumption that the project can be completed and afterwards generate sales income.

**Development in activities and financial affairs**

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK -528,661 against DKK -1,808,100 for the period 01.01.21 - 31.12.21. The balance sheet shows equity of DKK 217,427.

**Subsequent events**

After the balance sheet date the company has secured a new investor increasing the equity with DKK 2,946,652.



## Income statement

Note		2022	2021
		DKK	DKK
	<b>Gross profit</b>	<b>41,395</b>	<b>17,572</b>
3	Staff costs	-987,809	-1,791,305
	<b>Loss before depreciation, amortisation, write-downs and impairment losses</b>	<b>-946,414</b>	<b>-1,773,733</b>
4	Financial income	2,384	269
5	Financial expenses	-160,175	-34,636
	<b>Loss before tax</b>	<b>-1,104,205</b>	<b>-1,808,100</b>
	Tax on loss for the year	575,544	0
	<b>Loss for the year</b>	<b>-528,661</b>	<b>-1,808,100</b>
<b>Proposed appropriation account</b>			
	Retained earnings	-528,661	-1,808,100
	<b>Total</b>	<b>-528,661</b>	<b>-1,808,100</b>

## Balance sheet

ASSETS		31.12.22	31.12.21
		DKK	DKK
Note			
	Development projects in progress	2,629,646	2,629,646
6	<b>Total intangible assets</b>	<b>2,629,646</b>	<b>2,629,646</b>
7	Deposits	0	15,875
	<b>Total investments</b>	<b>0</b>	<b>15,875</b>
	<b>Total non-current assets</b>	<b>2,629,646</b>	<b>2,645,521</b>
	Manufactured goods and goods for resale	92,342	107,606
	<b>Total inventories</b>	<b>92,342</b>	<b>107,606</b>
	Trade receivables	83,307	286,872
	Deferred tax asset	12,266	12,266
	Income tax receivable	364,377	0
	Other receivables	14,248	6,246
	<b>Total receivables</b>	<b>474,198</b>	<b>305,384</b>
	<b>Total current assets</b>	<b>566,540</b>	<b>412,990</b>
	<b>Total assets</b>	<b>3,196,186</b>	<b>3,058,511</b>

## Balance sheet

## EQUITY AND LIABILITIES

Note		31.12.22 DKK	31.12.21 DKK
	Share capital	59,000	59,000
	Share premium	0	0
	Reserve for development costs	2,051,724	2,051,724
	Retained earnings	-1,893,297	-1,364,636
	<b>Total equity</b>	<b>217,427</b>	<b>746,088</b>
8	Payables to other credit institutions	798,260	890,300
	<b>Total long-term payables</b>	<b>798,260</b>	<b>890,300</b>
8	Short-term part of long-term payables	117,772	98,390
	Payables to other credit institutions	448,253	225,553
	Prepayments received from customers	130,000	205,000
	Trade payables	13,218	198,639
	Other payables	1,471,256	694,541
	<b>Total short-term payables</b>	<b>2,180,499</b>	<b>1,422,123</b>
	<b>Total payables</b>	<b>2,978,759</b>	<b>2,312,423</b>
	<b>Total equity and liabilities</b>	<b>3,196,186</b>	<b>3,058,511</b>

9 Contingent assets

10 Charges and security

## Statement of changes in equity

Figures in DKK	Share capital	Share premium	Reserve for development costs	Retained earnings
Statement of changes in equity for 01.01.21 - 31.12.21				
Balance as at 01.01.21	55,000	0	1,456,764	-357,576
Capital increase	4,000	1,396,000	0	0
Tax on changes in equity	0	0	-167,040	167,040
Transfers to/from other reserves	0	-1,396,000	762,000	634,000
Net profit/loss for the year	0	0	0	-1,808,100
Balance as at 31.12.21	59,000	0	2,051,724	-1,364,636
Statement of changes in equity for 01.01.22 - 31.12.22				
Balance as at 01.01.22	59,000	0	2,051,724	-1,364,636
Net profit/loss for the year	0	0	0	-528,661
Balance as at 31.12.22	59,000	0	2,051,724	-1,893,297

## 1. Uncertainty concerning recognition and measurement

In the financial statements for 2022, it is important to note the following uncertainty as regards recognition and measurement as it has had a significant influence on the assets and liabilities recognised in the financial statements:

Activated development costs regarding design and development of an algorithm to control traffic signals. The company measures the project at cost based on numbers of hours spent. The project is included based on the assumption that the project can be completed and afterwards generate sales income.

## 2. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

Special items:	Recognised in the income statement in:	2022 DKK	2021 DKK
Adjustment of tax in respect of previous years	Tax on profit or loss for the year	575,544	0
Sale of operating equipment	Other operating income	19,880	0
Total		595,424	0

## 3. Staff costs

Wages and salaries	932,809	1,653,190
Pensions	32,131	52,667
Other social security costs	5,396	9,088
Other staff costs	17,473	76,360
Total	987,809	1,791,305
Average number of employees during the year	2	2

	2022 DKK	2021 DKK
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#### 4. Financial income

Interest, group enterprises	2,384	0
Other interest income	0	269
Total	2,384	269

#### 5. Financial expenses

Interest, group enterprises	0	2,384
Other interest expenses	159,808	30,906
Other financial expenses	367	1,346
Other financial expenses total	160,175	32,252
Total	160,175	34,636

#### 6. Intangible assets

Figures in DKK	Development projects in progress
Cost as at 01.01.22	2,629,646
Cost as at 31.12.22	2,629,646
Carrying amount as at 31.12.22	2,629,646

The company's development projects comprise of costs related to design of an algorithm to control traffic signals and development of software to implement and incorporate the algorithm with various providers of signals and sensors.

**7. Non-current financial assets**

Figures in DKK	Deposits
Cost as at 01.01.22	15,875
Disposals during the year	-15,875
Cost as at 31.12.22	0
Carrying amount as at 31.12.22	0

**8. Long-term payables**

Figures in DKK	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.22	Total payables at 31.12.21
Payables to credit institutions	92,100	92,100	890,360	921,000
Other payables	25,672	0	25,672	67,690
Total	117,772	92,100	916,032	988,690

**9. Contingent assets**

The company has a deferred tax asset of DKK 209k, which has not been recognised in the balance sheet. The tax asset can be attributed to tax losses carried forward which are not expected to be utilised within the next 3-5 years. The tax asset can be carried forward indefinitely.

**10. Charges and security**

As security for debt to credit institutions of DKK 890k, a company charge has been provided comprising goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and agricultural stock, trade receivables as well as fuels and other ancillary materials. The total carrying amount of the comprised assets is DKK 2,805k.

## 11. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.



**11. Accounting policies** - continued -**INCOME STATEMENT****Gross profit**

Gross profit comprises revenue, work performed for own account and capitalised, other operating income and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**Work performed for own account and capitalised**

Work performed for own account and capitalised comprises cost of sales, wages and salaries and other internal expenses incurred during the year and included in the cost of self-constructed or self-produced intangible assets.

**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**11. Accounting policies - continued -****Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising, administration and premises.

**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.

**Other net financials**

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

**BALANCE SHEET****Intangible assets***Development projects in progress*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

**11. Accounting policies** - continued -

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

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

**Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

**Inventories**

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

**11. Accounting policies** - continued -**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

**Equity**

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

**Current and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**11. Accounting policies** - continued -**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.