Nordic Impact Bridge ApS

Ragnagade 7, st.
2100 København Ø
Denmark

CVR no. 39 23 74 07

Annual report 2021/22

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

21 September 2022

Jesper Kring
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Nordic Impact Bridge ApS for the financial year 1 April 2021 – 31 March 2022.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022.

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

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

Copenhagen, 21 September 2022
Executive Board:

Jesper Kring
CEO

Board of Directors:

Charsten Christensen Chairman	Peter Damgaard Jensen	Jesper Kring

Independent auditor's report

To the shareholder of Nordic Impact Bridge ApS

Opinion

We have audited the financial statements of Nordic Impact Bridge ApS for the financial year 1 April 2021 – 31 March 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We note that there is a material uncertainty concerning the Company's ability to continue as a going concern. We draw attention to Note 2, which describes the current financing situation of the Company, in which additional investment is needed to be able to fund its planned operations during the coming year. Management expects that the Company will be able to raise capital to continue its operations. Our opinion is not qualified in respect of this matter.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

— identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

— obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

— conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

— evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 21 September 2022
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Management's review

Company details

Nordic Impact Bridge ApS
Ragnagade 7, st.
2100 København Ø
Denmark

CVR no.:	39 23 74 07
Established:	29 December 2017
Registered office:	Copenhagen
Financial year:	1 April – 31 March

Board of Directors

Charsten Christensen, Chairman
Peter Damgaard Jensen
Jesper Kring

Executive Board

Jesper Kring, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The company's purpose is to operate a digital platform that validates and qualifies companies' growth and sustainable potential. The company supports the companies' development and transition to a sustainable business model and forward-looking mediation of attractive funding solutions for the companies' transformation and their growth potentials. Digital competencies, systems, services and platforms are being built up within Open Finance targeted SMEs, which are made available to the companies as well as other related business at the discretion of the Board of Directors.

Future financial focus

The Company's income statement for 2021/22 shows a profit of DKK -928,838 as against DKK -1,113,104 in 2020/21. Equity in the Company's balance sheet at 31 March 2022 stood at DKK 1,915,525 as against DKK 2,844,363 at 31 March 2021.

The Management observed a very positive year following the roadmap for onboarding banks, business associations, funds and corporates. e.g. Nykredit, AL Bank, EKF, Teqnik Arbejdsgiverne, Tryg. At the same time experienced the high satisfaction and business value the Valfied platform creates for partners and users building ESG and sustainability into the core of their business. The management is looking forward to the coming years strong growth and planning of internationalization.

Uncertainties regarding going concern

Significantly increased sales are expected in the coming year supported in pipelines and budget. Furthermore, bridge funding rounds were completed in April and August 2022, which has resulted in a material equity contribution. Furthermore, in order to strengthen the Company's position even more, the Company will continue to seek bridge funding in the third and fourth quarter of 2022 and ultimately aim for the closing of an investment round in the first half of 2023. Lastly, the Company is also seeking to obtain a loan from Vækstfonden, which is based on the completed bridge funding rounds. The Company's continued operation is dependant on increased sales as well as the securing of loans and bridge funding rounds. It is Management's opinion that the company will be able to increase sales and secure sufficient loans as well as close sufficient bridge funding rounds. On this basis, the accounts have been prepared with continued operations in mind.

Treasury shares

Treasury shares are specified as follows:

	Number	Nom. DKK'000	% of contributed capital
Acquired treasury shares in the financial year		0	0
Sold treasury shares in the financial year		0	0
Treasury shares at 31 March 2022	16,952	16,952	12

	2021/22
Total acquisition cost	881,504
Total sales price	0

The treasury shares were acquired as a buyback where the original deposit has been converted into a loan

Management's review

Operating review

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2021/22.

Financial statements 1 April – 31 March

Income statement

DKK	Note	2021/2022	2020/2021
Gross profit/loss		142,671	-875,908
Staff costs	3	-646,247	-1,281,555
Depreciation, amortisation and impairment losses		-8,313	-4,156
Loss before financial income and expenses		-511,889	-2,161,619
Other financial expenses		-367,445	-153,284
Loss before tax		-879,334	-2,314,903
Tax on loss for the year	4	-49,504	1,201,799
Loss for the year		-928,838	-1,113,104

Proposed distribution of loss

Reserve for development cost	6,491,325	4,567,563
Retained earnings	-7,420,163	-5,680,667
	-928,838	-1,113,104

Financial statements 1 April – 31 March

Balance sheet

DKK	Note	31/3 2022	31/3 2021
ASSETS			
Fixed assets			
Intangible assets			
Acquired patents		13,770	15,390
Development projects in progress		14,178,061	5,855,850
		14,191,831	5,871,240
Property, plant and equipment			
Fixtures and fittings, tools and equipment		10,040	16,733
Total fixed assets		14,201,871	5,887,973
Current assets			
Receivables			
Trade receivables		160,438	93,750
Other receivables		116,249	154,173
Corporation tax		0	1,288,287
		276,687	1,536,210
Cash at bank and in hand		139,086	2,100,371
Total current assets		415,773	3,636,581
TOTAL ASSETS		14,617,644	9,524,554

Financial statements 1 April – 31 March

Balance sheet

DKK	Note	31/3 2022	31/3 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		132,284	132,284
Share premium		4,624,076	4,624,076
Reserve for development costs		11,058,888	4,567,563
Retained earnings		-13,899,723	-6,479,560
Total equity		1,915,525	2,844,363
Liabilities			
Non-current liabilities	5		
Debt to credit institutions		4,144,994	3,899,000
Payables to participating interests		1,283,527	0
Other payables		3,628,166	1,139,504
		9,056,687	5,038,504
Current liabilities			
Current portion of non-current liabilities	5	200,575	175,000
Prepayments received from customers		0	117,466
Trade payables		366,975	544,940
Payables to participating interests		1,000,497	1,606
Other payables		1,475,140	558,640
Deferred income		584,583	0
Payables to shareholders and Management		17,662	244,035
		3,645,432	1,641,687
Total liabilities		12,702,119	6,680,191
TOTAL EQUITY AND LIABILITIES		14,617,644	9,524,554
Uncertainties regarding going concern	2		

Financial statements 1 April – 31 March

Statement of changes in equity

DKK	Contributed capital	Share premium	Reserve for development costs	Retained earnings	Total
Equity at 1 April 2021	132,284	4,624,076	0	-7,767,847	-3,011,487
Net effect from change of accounting policy	0	0	4,567,563	1,288,287	5,855,850
Transferred over the distribution of loss	0	0	6,491,325	-7,420,163	-928,838
Equity at 31 March 2022	132,284	4,624,076	11,058,888	-13,899,723	1,915,525

Financial statements 1 April – 31 March

Notes

1 Accounting policies

The annual report of Nordic Impact Bridge ApS for 2021/22 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Change in accounting policies

The Company has changed its accounting policies regarding development costs so that development costs are now capitalised in the balance sheet. Previously, development costs was expenced as incurred. The changes in accounting policies were made in order to give a more true and fair view of the Company's activities, results and financial position.

DKK	2021/2022	2020/2021
Effect on:		
Profit/loss	8,322,211	5,855,850
Total assets	8,322,211	5,855,850
Equity	8,322,211	5,855,850

The comparative figures have been restated to reflect the changed accounting policies.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods and/or services is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ®2020.

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

Staff costs

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

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

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1 Accounting policies (continued)

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of intangible assets and property, plant and equipment.

Financial expenses

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

Tax on loss for the year

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

Balance sheet

Intangible assets

Patents, licences and trademarks

Patents and licences are measured at cost less accumulated amortisation and impairment losses.
The estimated useful lifespan is as follows:

Patents, licences and trademarks	10 years

Development projects

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

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

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

The basis of depreciation is cost less any projected residual value after the end of the useful life.

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Notes

1 Accounting policies (continued)

Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-10 years

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

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

Impairment of fixed assets

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

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

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

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of

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Notes

1 Accounting policies (continued)

development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

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2 Uncertainties regarding going concern

Significantly increased sales are expected in the coming year supported in pipelines and budget. Furthermore, bridge funding rounds were completed in April and August 2022, which has resulted in a material equity contribution. Furthermore, in order to strengthen the Company's position even more, the Company will continue to seek bridge funding in the third and fourth quarter of 2022 and ultimately aim for the closing of an investment round in the first half of 2023. Lastly, the Company is also seeking to obtain a loan from Vækstfonden, which is based on the completed bridge funding rounds. The Company's continued operation is dependant on increased sales as well as the securing of loans and bridge funding rounds. It is Management's opinion that the company will be able to increase sales and secure sufficient loans as well as close sufficient bridge funding rounds. On this basis, the accounts have been prepared with continued operations in mind.

3 Staff costs

Wages and salaries	6,205,493	3,793,324
Pensions	509,496	216,240
Other social security costs	65,081	26,343
Transfered to development projects	-6,133,823	-2,754,352
	646,247	1,281,555
Average number of full-time employees	9	5

4 Tax on loss for the year

Current tax for the year	0	-1,288,287
Adjustment of tax concerning previous years	49,504	86,488
	49,504	-1,201,799

5 Non-current liabilities

DKK	Total debt at 31/3 2022	Due within 1 year	Outstanding debt after five years
Debt to credit institutions	4,144,994	0	4,144,994
Other payables	3,828,741	200,575	91,999
Payables to participating interests	1,283,527	0	0
	9,257,262	200,575	4,236,993