



Next11 Technologies ApS

Blegdamsvej 6, 2200 København N

CVR no. 39 29 07 82

**Annual report for the period
1 January to 31 December 2023**

Adopted at the annual general meeting on 29 June 2024

Kim Tosti Nielsen
Chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Next11 Technologies ApS for the financial year 1 January - 31 December 2023.

The annual report is 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 financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 29 June 2024

Executive board

Nikolaj Thomassen
Director

Supervisory board

Kim Tosti Nielsen
chairman

Henrik Madsen

Jens Philip Therp

Per Frimann Hansen

Christian Damsgaard Tost

Independent auditor's report

To the shareholders of Next11 Technologies ApS

Opinion

We have audited the financial statements of Next11 Technologies ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on management's review

Management is responsible for management's review.

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

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

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

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

Independent auditor's report

Copenhagen, 29 June 2024

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
statsautoriseret revisor
mne34482

Company details

The company

Next11 Technologies ApS
Blegdamsvej 6
2200 København N

CVR no.: 39 29 07 82

Reporting period: 1 January - 31 December 2023
Incorporated: 30 January 2018

Domicile: Copenhagen

Supervisory board

Kim Tosti Nielsen, chairman
Henrik Madsen
Jens Philip Therp
Per Frimann Hansen
Christian Damsgaard Tost

Executive board

Nikolaj Thomassen, director

Auditors

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
Poul Bundgaards Vej 1, 1.
2500 Valby

Management's review

Business review

The main activity of the company is to develop, market, and sell sports services and related businesses.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 5.710.509, and the balance sheet at 31 December 2023 shows equity of DKK 19.460.440.

This year, we have expanded our market from primarily being in Denmark to include all of Scandinavia. Our football tracking system has been positively received by both coaches and players, confirming the value of our technology. We have also conducted successful tests with teams in the USA, which have shown that there is great potential for our product in the American market. These results make us optimistic about the future, and we see good opportunities for further growth and expansion with our innovative solutions in both existing and new markets.

Significant events occurring after the end of the financial year

After the end of the financial year, the company completed a capital increase of DKK 5.5 million from existing and new investors.

No other events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		-1.487.615	-1.647.963
Staff costs	1	-1.540.863	-1.064.849
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-3.789.804	-1.788.562
Profit/loss before net financials		-6.818.282	-4.501.374
Financial income		3.150	21.724
Financial costs	2	-661.674	-362.997
Profit/loss before tax		-7.476.806	-4.842.647
Tax on profit/loss for the year	3	1.766.297	1.453.456
Profit/loss for the year		-5.710.509	-3.389.191
Recommended appropriation of profit/loss			
Transferred to reserve for development expenditure		1.597.863	3.225.955
Retained earnings		-7.308.372	-6.615.146
		-5.710.509	-3.389.191

Balance sheet 31 December

	Note	2023	2022
		DKK	DKK
Assets			
Completed development projects		24.696.493	22.647.952
Intangible assets	4	24.696.493	22.647.952
Other fixtures and fittings, tools and equipment	5	9.152	16.414
Tangible assets		9.152	16.414
Deposits		121.500	121.500
Fixed asset investments		121.500	121.500
Total non-current assets		24.827.145	22.785.866
Finished goods and goods for resale		772.108	0
Stocks		772.108	0
Trade receivables		41.600	31.375
Other receivables		585.559	880.387
Corporation tax		1.282.838	1.301.771
Prepayments		109.507	3.970
Receivables		2.019.504	2.217.503
Cash at bank and in hand		3.908.727	2.244.195
Total current assets		6.700.339	4.461.698
Total assets		31.527.484	27.247.564

Balance sheet 31 December

	Note	2023	2022
		DKK	DKK
Equity and liabilities			
Share capital		88.962	80.731
Reserve for development expenditure		19.263.265	17.665.402
Retained earnings		108.213	-2.255.566
Equity		19.460.440	15.490.567
Provision for deferred tax		1.495.632	1.979.091
Total provisions		1.495.632	1.979.091
Other credit institutions		7.311.164	6.699.962
Other payables		62.063	58.078
Total non-current liabilities	6	7.373.227	6.758.040
Trade payables		778.194	712.066
Other payables		660.225	290.828
Deferred income		1.759.766	2.016.972
Total current liabilities		3.198.185	3.019.866
Total liabilities		10.571.412	9.777.906
Total equity and liabilities		31.527.484	27.247.564
Contingent liabilities	7		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	80.731	17.665.402	-2.255.157	15.490.976
Increase of capital by conversion of debt	1.911	0	2.248.081	2.249.992
Cash capital increase	6.320	0	7.423.661	7.429.981
Net profit/loss for the year	0	1.597.863	-7.308.372	-5.710.509
Equity at 31 December	88.962	19.263.265	108.213	19.460.440

Notes

	2023	2022
	DKK	DKK
1 Staff costs		
Wages and salaries	4.968.858	2.566.343
Pensions	77.726	73.259
Other social security costs	64.716	30.615
Other staff costs	28.514	1.376
	5.139.814	2.671.593
Capitalized development projects	-3.598.951	-1.606.744
	1.540.863	1.064.849
Number of fulltime employees on average	8	5
2 Financial costs		
Other financial costs	661.674	362.997
	661.674	362.997
3 Tax on profit/loss for the year		
Current tax for the year	-1.282.838	-1.301.771
Deferred tax for the year	-483.459	-151.685
	-1.766.297	-1.453.456

Notes

4 Intangible assets

	Completed development projects
	DKK
Cost at 1 January	24.429.252
Additions for the year	5.831.083
Cost at 31 December	30.260.335
Impairment losses and amortisation at 1 January	1.781.300
Depreciation for the year	3.782.542
Impairment losses and amortisation at 31 December	5.563.842
Carrying amount at 31 December	24.696.493

Special assumptions regarding development projects and tax assets

The development projects entail the creation of a digital device for measuring performance in sports, particularly in football. Moving forward, these development projects will serve as the foundation for the company's revenue generation, thereby creating positive cash flows in the future. The underlying premise of the projects has been to align with the digital advancements in the sports industry.

5 Tangible assets

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	34.426
Cost at 31 December	34.426
Impairment losses and depreciation at 1 January	18.012
Depreciation for the year	7.262
Impairment losses and depreciation at 31 December	25.274
Carrying amount at 31 December	9.152

Notes

6 Long term debt

	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Other credit institutions	6.699.962	7.311.164	0	0
Other payables	58.078	62.063	0	0
	6.758.040	7.373.227	0	0

7 Contingent liabilities

The company has entered into rent of premises at the following amounts DKK. 66k.

Accounting policies

The annual report of Next11 Technologies ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Accounting policies

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external costs

Other external costs include expenses related to sale, advertising, administration, premises, bad debts, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

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

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 5-10 years.

Accounting policies

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Accounting policies

Income tax and deferred tax

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.