

Brevetti AI ApS

C/O Michael Sass Hansen Nordre Allé 5, 2500 Valby

Company reg. no. 39 41 47 16

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 22 April 2024.

Kim Meurs-Gerken

Kim Christian Meurs-Gerken
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Brevetti AI ApS for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Valby, 22 April 2024

Managing Director

Kim Meurs-Gerken

Michael Sass Hansen

Board of directors

Marco Ferrari
Chairman

Massimo Frasson
Massimo Frasson

Kim Meurs-Gerken

Michael Sass Hansen

Kim Meurs-Gerken

Kim Christian Meurs-Gerken

Independent auditor's report

To the Shareholders of Brevetti AI ApS

Opinion

We have audited the financial statements of Brevetti AI ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. 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 financial position of the Company 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' 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.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs 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.

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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 22 April 2024

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36



Michael Beuchert

State Authorised Public Accountant
mne32794

Company information

The company

Brevetti AI ApS
C/O Michael Sass Hansen Nordre Allé 5
2500 Valby

Company reg. no. 39 41 47 16
Financial year: 1 January - 31 December

Board of directors

Marco Ferrari, Chairman
Michael Sass Hansen
Kim Christian Meurs-Gerken
Massimo Frasson

Managing Director

Michael Sass Hansen

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management's review

The principal activities of the company

The company's key activities are to conduct business by developing innovative products based on advanced algorithms in partnership with other companies as well as on a consultant basis and related business.

Development in activities and financial matters

The gross profit for the year totals DKK 3.467.707 against DKK 2.794.274 last year. Income or loss from ordinary activities after tax totals DKK 11.745 against DKK -364.345 last year. Management considers the net profit or loss for the year unsatisfactory.

Events occurring after the end of the financial year

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	3.467.707	2.794.274
1 Staff costs	-3.451.654	-3.256.814
Operating profit	16.053	-462.540
Other financial income	903	0
2 Other financial expenses	-389	-3.779
Pre-tax net profit or loss	16.567	-466.319
3 Tax on net profit or loss for the year	-4.822	101.974
Net profit or loss for the year	11.745	-364.345
Proposed distribution of net profit:		
Transferred to retained earnings	11.745	0
Allocated from retained earnings	0	-364.345
Total allocations and transfers	11.745	-364.345

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Current assets		
Trade receivables	303.750	45.000
Receivables from group enterprises	0	180.000
Deferred tax assets	97.052	102.014
Income tax receivables	0	35.000
Other receivables	307.501	306.413
Prepayments	0	83.740
Total receivables	<u>708.303</u>	<u>752.167</u>
Cash and cash equivalents	<u>518.842</u>	<u>258.435</u>
Total current assets	<u>1.227.145</u>	<u>1.010.602</u>
Total assets	<u>1.227.145</u>	<u>1.010.602</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		<u>2023</u>	<u>2022</u>
<u>Note</u>			
Equity			
Contributed capital		50.000	50.000
Retained earnings		746.978	735.233
Total equity		<u>796.978</u>	<u>785.233</u>
Liabilities other than provisions			
Trade payables		134.744	40.753
Other payables		295.423	184.616
Total short term liabilities other than provisions		<u>430.167</u>	<u>225.369</u>
Total liabilities other than provisions		<u>430.167</u>	<u>225.369</u>
Total equity and liabilities		<u>1.227.145</u>	<u>1.010.602</u>

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	50.000	735.233	785.233
Retained earnings for the year	<u>0</u>	<u>11.745</u>	<u>11.745</u>
	<u>50.000</u>	<u>746.978</u>	<u>796.978</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	3.419.687	3.224.029
Other costs for social security	13.632	13.632
Other staff costs	<u>18.335</u>	<u>19.153</u>
	<u>3.451.654</u>	<u>3.256.814</u>
Average number of employees	<u>4</u>	<u>4</u>
2. Other financial expenses		
Other financial costs	<u>389</u>	<u>3.779</u>
	<u>389</u>	<u>3.779</u>
3. Tax on net profit or loss for the year		
Adjustment of deferred tax for the year	4.962	-102.014
Adjustment of tax for previous years	<u>-140</u>	<u>40</u>
	<u>4.822</u>	<u>-101.974</u>

Accounting policies

The annual report for Brevetti AI ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses incurred for sales, advertising, administration, premises, etc.

Accounting policies

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.