



Wedio ApS

Nørre Allé 70A A, 1.
8000 Aarhus C
CVR No. 39462419

Annual report 2023

The Annual General Meeting adopted the annual report on 05.07.2024

Morten Aebeloe
conductor

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Entity details

Entity

Wedio ApS

Nørre Allé 70A A, 1.

8000 Aarhus C

Business Registration No.: 39462419

Registered office: Aarhus

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Kasper Vesth

Daniel Bodholdt Sand

Morten Vendelin Aebeloe

Anders Bregendahl Hansen

Executive Board

Daniel Bodholdt Sand

Morten Vendelin Aebeloe

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Wedio ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 05.07.2024

Executive Board

Daniel Bodholdt Sand

Morten Vendelin Aebeloe

Board of Directors

Kasper Vesth

Daniel Bodholdt Sand

Morten Vendelin Aebeloe

Anders Bregendahl Hansen

Independent auditor's extended review report

To the shareholders of Wedio ApS

Conclusion

We have performed an extended review of the financial statements of Wedio ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Material uncertainty related to going concern

As stated in the management commentary and in note 1, the Company's going concern status depends on an expected sale of the Company's assets or the shares of the Company.

The Company's owners have initiated a sale of the Company, which is also expected to add new liquidity to the Company, at the same time or that an asset sales will add enough liquidity to cover the loans in the Entity.

Management expects this transaction to be finalised in 2024 and that the buyer will add new liquidity to the Company at the same time.

The Company has received a letter of intent from two of its largest shareholders to support liquidity

The Company have recieved a mail regarding intent of postponement of installments from Company's largest lender (EIFO).). The postponement of installments applies as there are positive indications for the expected transaction.

We have read Management's disclosure in the management's commentary and note 1, and we agree with Management's disclosure and draw attention to the uncertainty associated with the completion of the

transaction and the postponement for installments, and the Company's ability to meet operating and cash budgets.

Our opinion has not been modified with respect to this matter.

Emphasis of matter

We draw attention to note 2, which states that the Company is in an sales process, and the outcome of the sales process involves significant uncertainty related to the measurement of the Company's intangible assets and inventories. As the sales process has not yet been finalised and negotiations has just been started, it cannot be concluded with certainty whether there are indications of impairment of the Company's intangible assets, as their value depends on the transaction being completed and at a value at least equal to the carrying amount.

It is Management's expectation that the transaction price exceeds the carrying amounts, but a binding price has not yet been agreed. Management's best estimate is that the values of the Company's development projects can be maintained, but there may be a risk of impairment if a transaction is not completed or if the transaction is completed at a lower value than the carrying amount of equity.

Our opinion has not been modified with respect to this matter.

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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express

any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 05.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jonas Thøstesen Svensson

State Authorised Public Accountant
Identification No (MNE) mne47824

Management commentary

Primary activities

The purpose of the company is to run a business offering online service, supply of marketplace and sales, including to develop, market and sell products and services, as well as to provide consulting services, and other related business at the discretion of the Executive Board.

Development in activities and finances

The financial performance for the year amounted to a loss of TDKK 2.553 and is as expected by Management.

Uncertainty relating to recognition and measurement

The Company is in a sales process, and the outcome of the sales process involves significant uncertainty related to the measurement of the Company's intangible assets. As the sales process has not yet been finalised and negotiations has just been started, it cannot be concluded with certainty whether there are indications of impairment of the Company's intangible assets, as their value depends on the transaction being completed and at a value at least equal to the carrying amount. It is Management's expectation that the transaction price exceeds the carrying amounts, but a binding price has not yet been agreed.

Outlook

The Company monitors its liquidity closely, and has a high predictability of its cost, which to a great extent consists of costs associated with the development project. Prior to new developments to the development project, Management assesses whether the company has sufficient liquidity.

Sufficient liquidity is expected for the upcoming financial year, but has not been secured. For further comments see note 1.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss	3	599,139	(490,133)
Staff costs	4	(1,599,862)	(2,947,728)
Depreciation, amortisation and impairment losses	5	(675,891)	(576,289)
Operating profit/loss		(1,676,614)	(4,014,150)
Other financial income		5,533	273
Other financial expenses		(881,658)	(501,215)
Profit/loss before tax		(2,552,739)	(4,515,092)
Tax on profit/loss for the year	6	0	(413,413)
Profit/loss for the year		(2,552,739)	(4,928,505)
Proposed distribution of profit and loss			
Retained earnings		(2,552,739)	(4,928,505)
Proposed distribution of profit and loss		(2,552,739)	(4,928,505)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	8	1,800,315	1,886,358
Intangible assets	7	1,800,315	1,886,358
Other fixtures and fittings, tools and equipment		0	21,492
Property, plant and equipment	9	0	21,492
Deposits		122,314	106,786
Financial assets		122,314	106,786
Fixed assets		1,922,629	2,014,636
Trade receivables		65,235	225,577
Other receivables		154,494	270,608
Prepayments		3,924	0
Receivables		223,653	496,185
Cash		2,191,166	517,531
Current assets		2,414,819	1,013,716
Assets		4,337,448	3,028,352

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital	10	75,096	70,911
Reserve for development expenditure		1,404,246	1,471,359
Retained earnings		(6,355,722)	(5,548,931)
Equity		(4,876,380)	(4,006,661)
Debt to other credit institutions		2,428,227	2,945,498
Convertible and dividend-yielding debt instruments		0	3,221,613
Non-current liabilities other than provisions	11	2,428,227	6,167,111
Current portion of non-current liabilities other than provisions	11	6,257,574	445,372
Deposits		71,537	69,835
Trade payables		164,525	54,195
Payables to owners and management		0	13,419
Other payables		235,286	171,725
Deferred income		56,679	113,356
Current liabilities other than provisions		6,785,601	867,902
Liabilities other than provisions		9,213,828	7,035,013
Equity and liabilities		4,337,448	3,028,352
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Assets charged and collateral	14		

Statement of changes in equity for 2023

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	70,911	0	1,471,359	(5,548,931)	(4,006,661)
Increase of capital	4,185	1,764,623	0	0	1,768,808
Costs related to equity transactions	0	0	0	(85,788)	(85,788)
Transfer to reserves	0	(1,764,623)	(67,113)	1,831,736	0
Profit/loss for the year	0	0	0	(2,552,739)	(2,552,739)
Equity end of year	75,096	0	1,404,246	(6,355,722)	(4,876,380)

The company expects to reestablished its equity through capital increases.

Notes

1 Going concern

The Company's owners have initiated a sale of the Company, which is also expected to add new liquidity to the Company. Management expects this transaction to be finalised in 2024 and that the buyer will add new liquidity to the Company at the same time or that an asset sales will add enough liquidity to cover the loans in the Entity.

The Company's operating and cash budgets show sufficient liquidity until November. The Company have recieved a mail regarding intent of postponement of installments from Company's largest lender (EIFO). The postponement of installments applies as there are positive indications for the expected transaction. The letters of intent are not legally binding for the lender.

It is Management's expectation that the Company will be able to meet its operating and cash budgets and that a potential buyer will refinance the Company in connection with the transaction, or or that an asset sales will add enough liquidity to cover the loans in the Entity.

Based on the newly started sales process, it is Management's best assessment that the Company will be sold and refinanced at the same time, or or that an asset sales will add enough liquidity to cover the loans in the Entity and the annual report is therefore presented on a going concern basis. However, at the time of presenting the annual report, this assessment is subject to considerable uncertainty due to the state of discussions with potential buyers.

2 Uncertainty relating to recognition and measurement

The Company is in a sales process, and the outcome of the sales process involves significant uncertainty related to the measurement of the Company's intangible assets. As the sales process has not yet been finalised and negotiations has just been started, it cannot be concluded with certainty whether there are indications of impairment of the Company's intangible assets, as their value depends on the transaction being completed and at a value at least equal to the carrying amount. It is Management's expectation that the transaction price exceeds the carrying amounts, but a binding price has not yet been agreed.

3 Gross profit/loss

Other operating income included in the gross profit/loss includes DKK 56.677 in innobooster funds received.

4 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	1,526,950	2,788,599
Other social security costs	52,103	55,436
Other staff costs	20,809	103,693
	1,599,862	2,947,728
Average number of full-time employees	4	8

5 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	654,399	536,162
Depreciation of property, plant and equipment	21,492	40,127
	675,891	576,289

6 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Adjustment concerning previous years	0	413,413
	0	413,413

7 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,972,265
Additions	568,356
Cost end of year	3,540,621
Amortisation and impairment losses beginning of year	(1,085,907)
Amortisation for the year	(654,399)
Amortisation and impairment losses end of year	(1,740,306)
Carrying amount end of year	1,800,315

8 Development projects

Development projects comprise the development of a sharing-economy digital rental platform, and a leasing platform between retail and consumer, including product improvements. The development project composes in essence of costs in the form of salaries and wages, and other costs, which are recorded internally.

Prior to new developments to the development project, Management assesses whether it is technically feasible to complete these. As of 31.12.2022, there are no ongoing development projects. All existing development projects in 2022 are closed at the balance sheet date.

The carrying amount at 31.12.2023 totals TDKK 1.880 The platform is expected to bring significant national as well as international competitive advantages and with that a substantial increase in the level of activity and the end of year financial performance for the company in the years to come.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	61,619
Cost end of year	61,619
Depreciation and impairment losses beginning of year	(40,127)
Depreciation for the year	(21,492)
Depreciation and impairment losses end of year	(61,619)
Carrying amount end of year	0

10 Share capital

	Number
A-shares	64,044
B-shares	11,052
	75,096

11 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK
Debt to other credit institutions	1,184,920	445,372	2,428,227
Convertible and dividend-yielding debt instruments	5,072,654	0	0
	6,257,574	445,372	2,428,227

12 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	174,383	284,331

13 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where MADA Stories ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

14 Assets charged and collateral

The company has issued a floating charge to Vækstfonden capped at TDKK 2,485 in rights, operating equipment, fixtures and fittings, inventories and unsecured claims.

The booked value of the assets amounts to TDKK 1.865:

- Completed development projects TDDK 1.800
- Trade receivables TDKK 65

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year, however with some reclassifications.

Recognition and measurement

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales, and other external expenses.

Revenue

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

Own work capitalised

Own work capitalised comprises staff costs.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, marketing costs and administrative costs.

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year of intangible assets.

Other financial income

Other financial income comprises interest income.

Other financial expenses

Other financial expenses comprise interest expenses.

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 recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc comprise completed development projects with related intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, 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 recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and

indirectly attributable to the development projects.

Completed development projects are amortised 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 reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 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.

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	1-3 years

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.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

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

Cash

Cash comprises bank deposits.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.