
Astrocytia Consulting ApS

Michael Drewsens Vej 13, DK-8270 Højbjerg

Annual Report for 2021

CVR No. 39 77 20 43

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 6/7 2022

Brian Thomsen
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Financial Statements of Astrocytia Consulting ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Højbjerg, 6 July 2022

Executive Board

Brian Thomsen
CEO

Practitioner's Statement on Compilation of Financial Statements

To the Management of Astrocytia Consulting ApS

We have compiled the Financial Statements of Astrocytia Consulting ApS for the financial year 1 January - 31 December 2021 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 6 July 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Nikolaj Erik Johnsen

State Authorised Public Accountant

mne35806

Company information

The Company	<p>Astrocytia Consulting ApS</p> <p>Michael Drewsens Vej 13 DK-8270 Højbjerg</p> <p>Telephone: 39772043</p> <p>Email: brth@astrocytia.com</p> <p>CVR No: 39 77 20 43</p> <p>Financial period: 1 January - 31 December</p> <p>Incorporated: 9 August 2018</p> <p>Financial year: 4th financial year</p> <p>Municipality of reg. office: Aarhus</p>
Executive board	<p>Brian Thomsen</p>
Auditors	<p>PricewaterhouseCoopers</p> <p>Statsautoriseret Revisionspartnerselskab</p> <p>Strandvejen 44</p> <p>2900 Hellerup</p>

Management's review

Key activities

The main activities of the company consist of providing consulting assistance within IT companies as well as other companies that, in the opinion of the Executive Board, are associated with it.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 2,822,904, and at 31 December 2021 the balance sheet of the Company shows negative equity of DKK 440,690.

Corona was an unexpected hard hit for Astrocytia especially in 2021, as we could not visit customers, maintain or grow the existing market activities across Europe, which affected our sales significantly. We prioritized to keep the existing staff onboard, despite consequences on increased debt.

As mitigation in the strengthening of Astrocytia – the following measurements have been actioned. A plan for the government Corona packages, as well as increased credit limits from the bank and financial insurance of debtor loss. The costs have been reduced, in consolidating the office locations. Our customer activities have increased significantly within multiple industries and sectors – which also helps distribute our risk – of keeping momentum, despite some industries being hit by increased cost on raw materials, transport and manufacturing.

With sales activities already in June 2022 having reached beyond a normal level again, we have already mid-year more than regained the momentum from 2020, and expect a very positive result for the financial year 2022. The investments done 2021 and 2022 in maintaining and building the network, customer base, marketing and sales activities with customers across Europe, are now coming to fruition in the specific projects and demand for Astrocytia.

Subsequent events

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

Income statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit		305,270	7,232,516
Staff expenses	2	-3,726,593	-4,152,662
Depreciation and impairment losses of property, plant and equipment		-129,682	-75,010
Profit/loss before financial income and expenses		-3,551,005	3,004,844
Financial income		1,995	2,837
Financial expenses		-58,527	-11,258
Profit/loss before tax		-3,607,537	2,996,423
Tax on profit/loss for the year	3	784,633	-664,142
Net profit/loss for the year		-2,822,904	2,332,281

Distribution of profit

	2021 DKK	2020 DKK
Proposed distribution of profit		
Retained earnings	-2,822,904	2,332,281
	-2,822,904	2,332,281

Balance sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		207,704	337,386
Property, plant and equipment	4	207,704	337,386
Fixed assets		207,704	337,386
Trade receivables		1,353,438	2,107,043
Contract work in progress		34,250	1,483,057
Receivables from group enterprises		30,469	43,817
Other receivables		28,000	28,000
Deferred tax asset		401,833	0
Prepayments		43,480	6,289
Receivables		1,891,470	3,668,206
Cash at bank and in hand		0	228,294
Current assets		1,891,470	3,896,500
Assets		2,099,174	4,233,886

Balance sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		40,000	40,000
Retained earnings		-480,690	2,342,214
Equity		-440,690	2,382,214
Provision for deferred tax		0	382,800
Provisions		0	382,800
Other payables		285,824	0
Long-term debt	5	285,824	0
Credit institutions		383,271	0
Payables to group enterprises		296,433	0
Payables to owners and Management		74,579	881
Corporation tax		0	324,547
Other payables	5	1,499,757	1,143,444
Short-term debt		2,254,040	1,468,872
Debt		2,539,864	1,468,872
Liabilities and equity		2,099,174	4,233,886
Going concern	1		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40,000	2,342,214	2,382,214
Net profit/loss for the year	0	-2,822,904	-2,822,904
Equity at 31 December	40,000	-480,690	-440,690

Notes to the Financial Statements

1. Going concern

Corona was an unexpected hard hit for Astrocytia, as we could not maintain or grow the existing market activities across Europe, which affected our sales significantly. We prioritized to keep the existing staff onboard, despite consequences on increased debt. Due to activities now having reached a normal level again, we expect to have more than regained the momentum from 2020, and expect a very positive result for the financial year 2022. At the forthcoming general meeting, the management will report on the financial situation and present that the share capital is expected to be re-established already in July 2022.

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2. Staff Expenses		
Wages and salaries	3,515,392	3,997,178
Other social security expenses	<u>211,201</u>	<u>155,484</u>
	<u>3,726,593</u>	<u>4,152,662</u>
 Average number of employees	 <u>9</u>	 <u>12</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
3. Income tax expense		
Current tax for the year	0	324,547
Deferred tax for the year	-784,633	0
Adjustment of deferred tax concerning previous years	<u>0</u>	<u>339,595</u>
	<u>-784,633</u>	<u>664,142</u>

Notes to the Financial Statements

4. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	413,165
Cost at 31 December	413,165
Impairment losses and depreciation at 1 January	75,779
Depreciation for the year	129,682
Impairment losses and depreciation at 31 December	205,461
Carrying amount at 31 December	207,704

5. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021	2020
	DKK	DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	285,824	0
Long-term part	285,824	0
Within 1 year	0	0
Other short-term payables	1,499,757	1,143,444
	1,785,581	1,143,444

6. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Astrocytia Holding ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

7. Accounting policies

The Annual Report of Astrocytia Consulting ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Notes to the Financial Statements

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

Staff expenses

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. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with . The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
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The residual value of other fixed assets is determined at nil.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.