

# Bolverk XR ApS

Carl Jacobsens Vej 16, 2. 16.  
2500 Valby  
Denmark

CVR no. 39 81 11 38

## **Annual report 2020/21**

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

4 October 2021

Bo Bennekov  
Chairman

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**Bolverk XR ApS**  
Annual report 2020/21  
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## 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 Bolverk XR ApS for the financial year 1 April 2020 – 31 March 2021.

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 2021 and of the results of the Company's operations for the financial year 1 April 2020 – 31 March 2021.

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.

Valby, 4 October 2021  
Executive Board:

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Bo Bennekov  
CEO

Board of Directors:

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Finn Peder Ramsgaard  
Hove  
Chairman

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Flemming Würtz Andersen

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Lasse Stevnss Tassing

## Independent auditor's report

### To the shareholders of Bolverk XR ApS

#### Opinion

We have audited the financial statements of Bolverk XR ApS for the financial year 1 April 2020 – 31 March 2021 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 2021 and of the results of the Company's operations for the financial year 1 April 2020 – 31 March 2021 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 rules and requirements.

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

#### 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.

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.

## Independent auditor's report

- 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 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, 4 October 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen  
State Authorised  
Public Accountant  
mne34283

**Bolverk XR ApS**  
Annual report 2020/21  
CVR no. 39 81 11 38

## Management's review

### Company details

Bolverk XR ApS  
Carl Jacobsens Vej 16, 2. 16.  
2500 Valby

CVR no.:	39 81 11 38
Established:	13 July 2018
Registered office:	Copenhagen
Financial year:	1 April – 31 March

### Board of Directors

Finn Peder Ramsgaard Hove, Chairman  
Flemming Würtz Andersen  
Lasse Stevnss Tassing

### Executive Board

Bo Bennekov, 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 main activity is development of IT solutions within VR simulations.

#### **Development in activities and financial position**

The Company's income statement for 2020/21 shows a profit of DKK 510 as against a loss of DKK -410,540 in 2019/20. Equity in the Company's balance sheet at 31 March 2021 stood at DKK 4,589,257 as against DKK 4,588,747 at 31 March 2020.

#### **Events after the balance sheet date**

No events have occurred after the financial year-end, which could significantly affect the Company's financial position.

## Financial statements 1 April – 31 March

### Income statement

DKK	Note	1/4 2020- 31/3 2021	1/4 2019- 31/3 2020
<b>Gross profit</b>	2	891,588	444,368
Staff costs	3	-1,122,146	-920,011
Depreciation, amortisation and impairment losses		<u>-2,297</u>	<u>0</u>
<b>Loss before financial income and expenses</b>		-232,855	-475,643
Other financial expenses		<u>-243,440</u>	<u>-50,156</u>
<b>Loss before tax</b>		-476,295	-525,799
Tax on loss for the year	4	<u>476,805</u>	<u>115,259</u>
<b>Profit/loss for the year</b>		<u>510</u>	<u>-410,540</u>
<b>Proposed profit appropriation/distribution of loss</b>			
Reserve for development costs		2,759,825	3,029,618
Retained earnings		<u>-2,759,315</u>	<u>-3,440,158</u>
		<u>510</u>	<u>-410,540</u>



## Financial statements 1 April – 31 March

### Balance sheet

DKK	Note	31/3 2021	31/3 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	5		
Development projects in progress		<u>10,292,641</u>	<u>6,754,405</u>
<b>Property, plant and equipment</b>	6		
Fixtures and fittings, tools and equipment		<u>25,267</u>	<u>0</u>
<b>Investments</b>			
Deposits		<u>175,364</u>	<u>169,458</u>
<b>Total fixed assets</b>		<u>10,493,272</u>	<u>6,923,863</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from participating interests		0	158,131
Other receivables		662,251	106,303
Corporation tax		971,523	1,145,694
Prepayments		<u>27,470</u>	<u>27,461</u>
		<u>1,661,244</u>	<u>1,437,589</u>
<b>Cash at bank and in hand</b>		<u>2,370,825</u>	<u>744,949</u>
<b>Total current assets</b>		<u>4,032,069</u>	<u>2,182,538</u>
<b>TOTAL ASSETS</b>		<u><u>14,525,341</u></u>	<u><u>9,106,401</u></u>

## Financial statements 1 April – 31 March

### Balance sheet

DKK	Note	31/3 2021	31/3 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		63,430	63,430
Reserve for development costs		8,028,260	5,268,435
Retained earnings		<u>-3,502,433</u>	<u>-743,118</u>
<b>Total equity</b>		<u>4,589,257</u>	<u>4,588,747</u>
<b>Provisions</b>			
Provisions for deferred tax		<u>1,713,631</u>	<u>1,412,024</u>
<b>Total provisions</b>		<u>1,713,631</u>	<u>1,412,024</u>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Other credit institutions		948,353	871,378
Convertible and profit-sharing debt instruments		5,384,763	1,300,000
Other payables		<u>215,000</u>	<u>230,300</u>
		<u>6,548,116</u>	<u>2,401,678</u>
<b>Current liabilities other than provisions</b>			
Current portion of non-current liabilities		332,861	145,148
Other payables		775,826	426,666
Payables to shareholders and Management		0	132,138
Prepayments received regarding work in progress		<u>565,650</u>	<u>0</u>
		<u>1,674,337</u>	<u>703,952</u>
<b>Total liabilities other than provisions</b>		<u>8,222,453</u>	<u>3,105,630</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>14,525,341</u></u>	<u><u>9,106,401</u></u>
<b>Contractual obligations, contingencies, etc.</b>	7		

## Financial statements 1 April – 31 March

### Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 April 2020	63,430	5,268,435	-743,118	4,588,747
Transferred over the distribution of loss	<u>0</u>	<u>2,759,825</u>	<u>-2,759,315</u>	<u>510</u>
<b>Equity at 31 March 2021</b>	<u><u>63,430</u></u>	<u><u>8,028,260</u></u>	<u><u>-3,502,433</u></u>	<u><u>4,589,257</u></u>

## Financial statements 1 April – 31 March

### Notes

#### 1 Accounting policies

The annual report of Bolverk XR ApS for 2020/21 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.

#### Government grants

Government grants are recognised when it is fairly certain that the grant conditions will be complied with, and the grant will be received.

Grants compensating for costs incurred are recognised directly as operating income in the income statement as costs eligible for grants are incurred. If the conditions for receiving the grant are not complied until after related costs have been recognised, the grant is to be recognised in the income statement when the conditions have been complied with and it is fairly certain that the grant will be awarded.

Grants to acquire assets are recognised in the balance sheet as deferred income/prepayments and transferred to other operating income in the income statement line with depreciation/amortisation of the assets covered by the grant.

### Income statement

#### Gross profit

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

#### Revenue

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.

#### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year.

#### 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.

#### Other external costs

Other external costs comprise distribution costs and costs related to administration and other costs of the Company. Costs related to the development of the Company's new products are capitalised in the balance sheet.

## Financial statements 1 April – 31 March

### Notes

#### 1 Accounting policies (continued)

##### 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. Staff costs related to the development of the Company's new products are capitalised in the balance sheet.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense.

##### 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

##### *Development projects*

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period. Development costs are capitalised in the balance sheet, when the future expected cash flows are assessed as probable and the future net present value of cash flows can at least cover the capitalised value. Costs capitalised on development projects have to be related to the specific project and be measured accurately in order to be capitalised.

Gains and losses on the disposal of intangible assets are determined 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.

#### 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.

## Financial statements 1 April – 31 March

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

#### Investments

Deposits are recognised at amortised cost.

#### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments 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 or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Cash at bank and in hand

Cash comprises bank deposits.

## Financial statements 1 April – 31 March

### Notes

#### 1 Accounting policies (continued)

##### 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 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 other than provisions

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 net realisable value.

## Financial statements 1 April – 31 March

### Notes

#### 2 Gross profit

Gross profit includes special items comprising compensation under COVID-19 government aid packages of DKK 1,416,882 (2019: DKK 0). Hereof, DKK 994,231 has been transferred to development projects.

#### 3 Staff costs

DKK	1/4 2020- 31/3 2021	1/4 2019- 31/3 2020
Wages and salaries	3,717,818	3,536,891
Other social security costs	44,034	26,980
Transferred to development projects	<u>-2,639,706</u>	<u>-2,643,860</u>
	<u>1,122,146</u>	<u>920,011</u>
Average number of full-time employees	<u>10</u>	<u>8</u>

#### 4 Tax on profit/loss for the year

Current tax for the year	-778,412	-1,145,694
Deferred tax for the year	440,438	1,030,435
Adjustment of tax concerning previous years	<u>-138,831</u>	<u>0</u>
	<u>-476,805</u>	<u>-115,259</u>

#### 5 Intangible assets

DKK	Development projects in progress
Cost at 1 April 2020	6,754,405
Additions for the year	<u>3,538,236</u>
Cost at 31 March 2021	<u>10,292,641</u>
<b>Carrying amount at 31 March 2021</b>	<u><b>10,292,641</b></u>

#### 6 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment
Cost at 1 April 2020	0
Additions for the year	<u>27,564</u>
Cost at 31 March 2021	<u>27,564</u>
Depreciation for the year	<u>-2,297</u>
Depreciation and impairment losses at 31 March 2021	<u>-2,297</u>
<b>Carrying amount at 31 March 2021</b>	<u><b>25,267</b></u>



## **Financial statements 1 April – 31 March**

### **Notes**

#### **7 Contractual obligations, contingencies, etc.**

The Company has entered into operating leases with a remaining term of 6 months and an average monthly lease payments of DKK 25 thousand, totalling DKK 150 thousand.