



Whaii ApS

Bygmarken 40
6000 Kolding
CVR No. 39871769

Annual report 2022

The Annual General Meeting adopted the
annual report on 30.06.2023

Morten Kongsbak

Chairman of the General Meeting

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Entity details

Entity

Whaii ApS

Bygmarken 40

6000 Kolding

Business Registration No.: 39871769

Registered office: Kolding

Financial year: 01.01.2022 - 31.12.2022

Executive Board

Michael Skovsgaard

Morten Kongsbak

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Executive Board has today considered and approved the annual report of Whaii ApS for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Kolding, 30.06.2023

Executive Board

Michael Skovsgaard

Morten Kongsbak

Independent auditor's extended review report

To the shareholders of Whaii ApS

Conclusion

We have performed an extended review of the financial statements of Whaii ApS for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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

We draw attention to note 1, which states that the Company's going concern is dependent on obtaining postponement of installments / changed settlement of loan regrading the Company's financing agreement with the Danish Growth Fund. In presenting the financial statements, Management has assumed that postponement of installments / changed settlement of loan regrading the Company's financing agreement with the Danish Growth Fund can be obtained and therefore presents the financial statements on a going concern basis. 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Kolding, 30.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Morten Almtoft Lund

State Authorised Public Accountant
Identification No (MNE) mne41365

Management commentary

Primary activities

The company's main activity is to develop, market and sell digital recruitment and people analytics solutions.

Development in activities and finances

During 2022, the company has worked intensively to restructure the company's business and analytic platform in order to optimize the commercial market offer.

The company is thus building on the basic concept, which has been developed over the years, and is now at the end of 2022 exclusively focused on one solution, Whaii Profiler. Whaii Profiler caters to a wide range of companies that work with sales and relationship building via LinkedIn. Initially, the solution has been prepared with a focus on the English-speaking markets, but an introduction of a Danish version is expected at the beginning of 2023 with the clear aim of achieving a commercial breakthrough on the home market. Furthermore, it is expected that ChatGPT will be implemented in Whaii Profiler and that this can contribute positively to strengthening Whaii Profiler's likely for a better commercial breakthrough.

The annual result shows a loss of DKK 1.7 million, which is significantly below management's expectations despite the difficult market conditions for starting a business. The year's result is affected by an extraordinary write-down of development projects of approx. DKK 0.6 million to a booked value of DKK 0 due to the lack of commercial traction from the project.

The management expects that the company's equity will be re-established by future positive development of the company's operations derived from the newly developed product based on the same concept of the analytic platform. Management refers to note 1 regarding going concern.

Events after the balance sheet date

Reference is made to note 2 in the annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		(375,931)	(706,641)
Staff costs	4	(6,195)	(708,251)
Depreciation, amortisation and impairment losses	5	(1,147,016)	(506,457)
Operating profit/loss		(1,529,142)	(1,921,349)
Other financial expenses	6	(197,031)	(102,219)
Profit/loss for the year		(1,726,173)	(2,023,568)
Proposed distribution of profit and loss			
Retained earnings		(1,726,173)	(2,023,568)
Proposed distribution of profit and loss		(1,726,173)	(2,023,568)

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	8	0	1,108,075
Intangible assets	7	0	1,108,075
Fixed assets		0	1,108,075
Trade receivables		0	18,144
Other receivables		4,542	12,782
Receivables		4,542	30,926
Cash		7,405	2,080
Current assets		11,947	33,006
Assets		11,947	1,141,081

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		62,500	62,500
Reserve for development expenditure		0	864,299
Retained earnings		(5,304,932)	(4,443,058)
Equity		(5,242,432)	(3,516,259)
Subordinate loan capital		3,042,602	2,426,911
Debt to other credit institutions		1,811,156	2,079,918
Non-current liabilities other than provisions	9	4,853,758	4,506,829
Current portion of non-current liabilities other than provisions	9	380,000	0
Bank loans		0	3,295
Trade payables		14,433	51,063
Other payables		0	38,819
Deferred income		6,188	57,334
Current liabilities other than provisions		400,621	150,511
Liabilities other than provisions		5,254,379	4,657,340
Equity and liabilities		11,947	1,141,081
Going concern	1		
Events after the balance sheet date	2		
Uncertainty relating to recognition and measurement	3		
Assets charged and collateral	10		

Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	62,500	864,299	(4,443,058)	(3,516,259)
Transfer to reserves	0	(864,299)	864,299	0
Profit/loss for the year	0	0	(1,726,173)	(1,726,173)
Equity end of year	62,500	0	(5,304,932)	(5,242,432)

Notes

1 Going concern

Due to the lack of commercial traction and an investor market affected by the general market uncertainty, it has not been possible to enter into new investor agreements. This has led to the previously mentioned restructuring, including a significant downscaling of the cost and investment level.

The company's financing agreement with the Danish Growth Fund includes a commencement of installments in 2023. Because of the lack of commercial results, the management does not expect to be able to meet this obligation, which is why a dialogue about possible solutions is already taking place from the beginning of 2023. The management expects a new agreement in place with The Danish Growth Fund regarding postponement of installments / changed settlement of loan before the end of the first half of the year, which ensures the company's liquidity. This will be instrumental in the company being able to continue a restructuring as described under the "Management Commentary" with the aim of establishing a commercial basis and thereby securing a basis for the investments already made from current investors as well as the option to meet repayment to the Danish Growth Fund.

2 Events after the balance sheet date

In the circumstances of lack of commercial traction, the company has continued to work on restructuring the product- and analytic platform into a simpler product aimed at companies that focus on sales and relationship building through the use of LinkedIn.

3 Uncertainty relating to recognition and measurement

Development projects under construction have been written down to DKK 0 due to the lack of commercial traction.

4 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	1,572	692,760
Other social security costs	4,603	13,105
Other staff costs	20	2,386
	6,195	708,251
Average number of full-time employees	1	2

5 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Amortisation of intangible assets	1,147,016	506,457
	1,147,016	506,457

6 Other financial expenses

	2022 DKK	2021 DKK
Other interest expenses	197,031	102,219
	197,031	102,219

7 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,017,399
Additions	38,941
Cost end of year	2,056,340
Amortisation and impairment losses beginning of year	(909,324)
Amortisation for the year	(1,147,016)
Amortisation and impairment losses end of year	(2,056,340)
Carrying amount end of year	0

8 Development projects

Development projects relates to the investments in developing the technology for the company's future products within digital people analytics tools that are expected to form the foundation for the company's future earnings. Extensive testing of the tools has been performed at various stages and the first products are ready for commercial use.

Unit sales are still in its infancy stages, but the management has high expectations for the people analytic platform's usability and thus sales opportunities. However due to the lack of commercial traction development projects under construction have been written down to DKK 0.

The carrying amount reflects costs that meet the requirements for capitalization, as stated in the accounting policies.

9 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due after more than 12 months 2022 DKK
Subordinate loan capital	0	3,042,602
Debt to other credit institutions	380,000	1,811,156
	380,000	4,853,758

10 Assets charged and collateral

Debt to other credit institutions are secured by way of a floating charge and includes receivables of DKK 0k. nominal.

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.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and 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.

Cost of sales

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

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages.

Depreciation, amortisation and impairment losses

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

Other financial expenses

Other financial expenses comprise interest expenses.

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc comprise development projects in progress.

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 that are directly and indirectly attributable to the development projects.

Receivables

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

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.