

Reel ApS

Hauser Plads 30A, st., 1127 København K

CVR no. 41 20 28 07

**Annual report for the period
1 April to 31 December 2022**

Adopted at the annual general meeting on 30 May
2023

Jon Sigvert
chairman of the meeting



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Reel ApS for the financial year 1 April - 31 December 2022.

The annual report is 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 financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 April - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 16 May 2023

Executive board

Jon Sigvert

Christian Randløv Schmidt

Anders Engtoft Meldgaard

Supervisory board

Stine Mølgaard Sørensen
chairman

Bo Wase

Emil Skals

Peter Larsen

Alexander Kiltz

Independent auditor's report

To the shareholders of Reel ApS

Opinion

We have audited the financial statements of Reel ApS for the financial year 1 April - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 April - 31 December 2022 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 requirements and 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 the 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 judgement and maintain professional scepticism 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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 16 May 2023

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
statsautoriseret revisor
MNE no. mne34482

Company details

The company	Reel ApS Hauser Plads 30A, st. 1127 København K CVR no.: 41 20 28 07 Reporting period: 1 April - 31 December 2022 Incorporated: 28 February 2020 Domicile: Copenhagen
Supervisory board	Stine Mølgaard Sørensen, chairman Bo Wase Emil Skals Peter Larsen Alexander Kiltz
Executive board	Jon Sigvert Christian Randløv Schmidt Anders Engtoft Meldgaard
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's purpose is trade and service within the energy sector.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 4,592,538, and the balance sheet at 31 December 2022 shows equity of DKK 12,094,449.

The company received external capital in 2022 to invest in the further development of the company. The result and development for the financial year is as expected as the company has invested in the development of its products and software platform and scaling of the company. The management finds that the financial year is satisfactory and as expected.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 April - 31 December

	Note	2022 DKK (9 mdr.)	2021/22 DKK (12. mdr)
Gross profit		-1,915,059	51,985
Staff costs	1	-2,951,815	-376,591
Profit/loss before amortisation/depreciation and impairment losses		-4,866,874	-324,606
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-9,173	0
Profit/loss before net financials		-4,876,047	-324,606
Financial costs		-43,261	-2,635
Profit/loss before tax		-4,919,308	-327,241
Tax on profit/loss for the year	2	326,770	71,902
Profit/loss for the year		-4,592,538	-255,339
Recommended appropriation of profit/loss			
Retained earnings		-4,592,538	-255,339
		-4,592,538	-255,339

Balance sheet 31 December

	Note	2022 (31/12)	2022 (31/03)
		DKK	DKK
Assets			
Other fixtures and fittings, tools and equipment	3	31,450	0
Leasehold improvements	3	70,477	0
Tangible assets		101,927	0
Investments in subsidiaries		40,000	0
Deposits		52,500	52,500
Fixed asset investments		92,500	52,500
Total non-current assets		194,427	52,500
Receivables from subsidiaries		1,689	0
Other receivables		418,621	37,108
Corporation tax		326,770	71,902
Prepayments		85,378	0
Receivables		832,458	109,010
Cash at bank and in hand		11,570,063	0
Total current assets		12,402,521	109,010
Total assets		12,596,948	161,510

Balance sheet 31 December

Note	2022 (31/12)	2022 (31/03)
	DKK	DKK
Equity and liabilities		
Share capital	58,022	40,000
Retained earnings	12,036,427	-259,153
Equity	12,094,449	-219,153
Banks	0	140,433
Trade payables	98,521	0
Other payables	403,978	240,230
Total current liabilities	502,499	380,663
Total liabilities	502,499	380,663
Total equity and liabilities	12,596,948	161,510

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 April	40,000	0	-259,153	-219,153
Cash capital increase	18,022	16,888,118	0	16,906,140
Net profit/loss for the year	0	0	-4,592,538	-4,592,538
Transfer from share premium account	0	-16,888,118	16,888,118	0
Equity at 31 December	58,022	0	12,036,427	12,094,449

Notes

	2022	2021/22
	DKK (9 mdr.)	DKK (12. mdr)
1 Staff costs		
Wages and salaries	2,874,950	375,017
Pensions	42,000	0
Other social security costs	34,865	1,574
	<u>2,951,815</u>	<u>376,591</u>
Average number of employees	<u>7</u>	<u>4</u>
	2022	2021/22
	DKK (9 mdr.)	DKK (12. mdr)
2 Tax on profit/loss for the year		
Current tax for the year	-326,770	-71,902
	<u>-326,770</u>	<u>-71,902</u>

Notes

3 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
	DKK	DKK	DKK
Cost at 1 April	0	0	0
Additions for the year	33,300	77,800	111,100
Cost at 31 December	33,300	77,800	111,100
Impairment losses and depreciation at 1 April	0	0	0
Depreciation for the year	1,850	7,323	9,173
Impairment losses and depreciation at 31 December	1,850	7,323	9,173
Carrying amount at 31 December	31,450	70,477	101,927

Accounting policies

The annual report of Reel ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Investments in subsidiaries, associates and participating interests

Investment in subsidiaries, associates and participating interests are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Other investments

Financial fixed assets include deposits, which are recognized at amortized cost

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Accounting policies

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.