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Cobira ApS
Abildgårdsparken 8 A
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CVR no. 41604883

Annual report 2020/21

The annual report was presented and adopted at the annual general meeting of the Company on 29 June 2022

Peter Thomas Brandt
Chairman of the annual general meeting

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Management's Statement

Today, Management has considered and approved the annual report of Cobira ApS for the financial year 20 August 2020 - 31 December 2021.

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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 20 August 2020 - 31 December 2021.

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

We recommend that the annual report be adopted at the annual general meeting.

Birkerød, 29 June 2022

Executive Board

Peter Thomas Brandt
Chief Executive Officer

Board of Directors

Søren Amund Henriksen
Chairman

Frederik Thurn Weisz

Morten Gjørup Andersen

Gustav Gottlieb Piper

Theis William Dahl

Ulrik Lehrskov-Schmidt

Independent Auditors' Report

To the shareholders of Cobira ApS

Opinion

We have audited the financial statements of Cobira ApS for the financial year 20 August 2020 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 financial position at 31 December 2021 and of the results of its operations for the financial year 20 August 2020 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, and we have fulfilled our other ethical responsibilities in accordance with these 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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

Independent Auditors' Report

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Elsinore, 29 June 2022

Kallermann Revision A/S - statsautoriseret revisionsfirma

CVR-no. 30195264

Rasmus Rolighed Asmussen

State Authorized Public Accountant

mne45874

Company details

Company	Cobira ApS Abildgårdsparken 8 A 3460 Birkerød CVR no. 41604883
Executive Board	Peter Thomas Brandt, Chief Executive Officer
Board of Directors	Søren Amund Henriksen Frederik Thurn Weisz Morten Gjørup Andersen Gustav Gottlieb Piper Theis William Dahl Ulrik Lehrskov-Schmidt
Auditors	Kallermann Revision A/S - statsautoriseret revisionsfirma Stationspladsen 1 og 3 3000 Helsingør CVR no. 30195264

Management's Review

The Company's principal activities

The Company's main activity is to develop a software platform for managing global, scalable and secure mobile connections and other services for professional IoT use.

2021 is the Company's first active year and the focus has been on building the software platform and preparing the Company to scale its business in 2022.

Insecurity regarding recognition or measurement

There is no material insecurity regarding recognition or measurement.

Exceptional circumstances

The outbreak of Coronavirus/Covid-19 has presented challenges and risks for the Company in the present financial year. The virus outbreak has affected the current year's result to some extent, but Management estimates that this will be less the case in 2022 and onwards.

There have been no other unusual matters within the financial year.

Development in activities and the financial situation

The Company's Income Statement of the financial year 20 August 2020 - 31 December 2021 shows a result of -4.362.325 DKK and the Balance Sheet at 31 December 2021 a total of 4.997.283 DKK and an equity of -2.314.195 DKK.

Since its inception, the Company has established agreements with several new customers and has started several new projects during the financial year. The Company expects to continue this growth well into 2022.

The Company is in the process of acquiring new funding to continue the growth in 2022 and has closed a new round in Q2, 2022. This is fully in line with the plans laid out in November 2020 at the Company's first investment round.

Management considers the result for the year to be satisfactory and as expected in relation to the plan that was laid down for the year and given the unusual circumstances described.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting class

The Annual Report of Cobira ApS for 2020/21 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

As the financial year 2020/21 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The annual report is presented in DKK.

Foreign currency translation

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

Gross profit/loss

Gross profit (loss) is a combination of the items of revenue, change in inventories of finished goods, other operational income, cost of raw materials and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT. All discounts and rebates granted are recognised in revenue.

Cost of sales

Cost of sales includes the goods used in generating the year's revenue.

Other external expenses

Other external expenses include costs for distribution, sales, administration etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions etc. The item is net of refunds from public authorities.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding accounts payable and transactions in foreign currencies, and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Deposits

Deposits are measured at cost.

Accounting Policies

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities

Other payables are measured at amortised cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Income Statement

	Note	2020/21 DKK
Gross profit (loss)		-1.203.937
Other employee expense	1	-4.266.194
Profit (loss) from ordinary operating activities		-5.470.131
Financial income		4.038
Financial expenses		-348.770
Profit (loss) from ordinary activities before tax		-5.814.863
Tax expense	2	1.452.538
Profit (loss)		-4.362.325
Proposed distribution of results		
Retained earnings		-4.362.325
Distribution of profit		-4.362.325

Balance Sheet as of 31 December

	Note	2021 DKK
Assets		
Deposits, investments		68.500
Investments		68.500
Fixed assets		68.500
Current deferred tax		870.570
Short-term tax receivables		581.968
Deferred income assets		199.803
Receivables		1.652.341
Cash and cash equivalents		3.276.442
Current assets		4.928.783
Assets		4.997.283
Liabilities and equity		
Contributed capital		58.910
Share premium		1.989.220
Retained earnings		-4.362.325
Equity		-2.314.195
Other payables		6.242.414
Long-term liabilities other than provisions	3	6.242.414
Prepayments received from customers		5.019
Trade payables		538.198
Other payables		525.847
Short-term liabilities other than provisions		1.069.064
Liabilities other than provisions within the business		7.311.478
Liabilities and equity		4.997.283
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Statement of changes in Equity

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity 20 August 2020	58.910	1.989.220	0	2.048.130
Profit (loss)	0	0	-4.362.325	-4.362.325
Equity 31 December 2021	58.910	1.989.220	-4.362.325	-2.314.195

Notes

	2020/21		
	DKK		
1. Staff costs			
Wages and salaries			4.230.304
Post-employment benefit expense			22.342
Social security contributions			13.548
			<u>4.266.194</u>
Average number of employees			<u>7</u>
2. Tax expense			
Current tax expense			-581.968
Adjustments for deferred tax			-870.570
			<u>-1.452.538</u>
3. Long-term liabilities			
	Due	Due	Due
	after 1 year	within 1 year	after 5 years
	DKK	DKK	DKK
Other payables	6.242.414	0	0
	<u>6.242.414</u>	<u>0</u>	<u>0</u>

4. Uncertainties relating to going concern

In order to finance the approved budget and plans for 2022 the company is depending on capital injection. The Company has already ensured a new capital injection of 4,750 TDKK in second quarter of 2022 securing the need for liquidity the rest of 2022.

Based on this the financial statements for 2021 have been prepared under the assumption of going concern.

5. Contingent liabilities

The company has entered into rental obligations which at the balance sheet date amounts to 203 TDKK.

6. Collaterals and securities

No securities or mortgages exist at the balance sheet date.