

BRIGHT BIRD A/S
Sandbjergvej 12
Hørsholm

Annual report for the period
1 January to 31 December 2022

Adopted at the annual general meeting on
27 June 2023

Søren Overgaard Eriksen
chairman

CVR-nr. 41 66 08 80

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report	4
 Management's review	
Company details	7
Management's review	8
 Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	13
Balance sheet 31 December	14
Statement of changes in equity	16
Notes	17

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of directors and Board of executives have today discussed and approved the annual report of Bright Bird A/S for the financial year 1 January - 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 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review, including the going concern assumption since a letter of support from the parent entity has been obtained which insures financial support for the next 12 months.

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

Hørsholm, 27 June 2023

Board of executives

Thomas Trust Have
CEO

Board of directors

Jesper Bernhoft
chairman

Thomas Trust Have

Søren Overgaard Eriksen

Svend Hendrik Leissler

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Bright Bird A/S

Opinion

We have audited the financial statements of Bright Bird A/S for the financial year 1 January - 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 January - 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.

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:

INDEPENDENT AUDITOR'S REPORT

- 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.

INDEPENDENT AUDITOR'S REPORT

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.

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, 27 June 2023

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Kurt Christensen
Statsautoriseret revisor
(State-authorised Public Accountant)
MNE no. mne26824

COMPANY DETAILS

The company	Bright Bird A/S Sandbjergvej 12 2970 Hørsholm
	CVR no.: 41 66 08 80
	Reporting period: 1 January - 31 December 2022
	Domicile: Hørsholm
Board of directors	Jesper Bernhoft, chairman Thomas Trust Have Søren Overgaard Eriksen Svend Hendrik Leissler
Board of executives	Thomas Trust Have, CEO
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

MANAGEMENT'S REVIEW

Business review

The company provides various services within the security industry including, advisory, personal protection, travel security and end to end safety solutions for businesses, corporate leaders and private individuals.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 10.088.964, and the balance sheet at 31 December 2022 shows negative equity of DKK 11.619.316.

Financing

A letter of support from the shareholders has been obtained which insures financial support for the next 12 months.

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.

ACCOUNTING POLICIES

The annual report of Born Global Security Solutions A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

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

The annual report for 2022 is presented in DKK

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.

Income from services is recognised on a straight-line basis as the services are provided.

Other external expenses

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

ACCOUNTING POLICIES

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.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on foreign currency transactions etc

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

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

Intangible assets

Goodwill

Acquisitions of entities or assets are accounted for using the purchase method, according to which the acquirees' identifiable assets and liabilities are measured at fair value at the date of acquisition. Provision is made for expenses to adopted and announced plans to restructure the acquired entity in connection with the acquisition. Allowance is made for the tax effect of revaluations made.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset. Goodwill arising on acquisition can be restated until the end of the year after the acquisition.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 5 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

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 years
Leasehold improvemenst	5 years

Assets costing less than DKK 31.000 are expensed in the year of acquisition.

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.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost, which usually corresponds, to nominal value. Bad debts are written down to net realisable value.

Prepayments

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

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.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

ACCOUNTING POLICIES

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities to suppliers and other liabilities are measured at amortised cost, normally corresponding to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
Gross profit		-1.052.010	-749
Staff costs	1	-7.351.739	-2.820
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-821.693</u>	<u>-378</u>
Profit/loss before net financials		-9.225.442	-3.947
Financial income		1.776	0
Financial costs	2	<u>-865.298</u>	<u>-70</u>
Profit/loss before tax		-10.088.964	-4.017
Tax on profit/loss for the year	3	<u>0</u>	<u>914</u>
Profit/loss for the year		<u>-10.088.964</u>	<u>-3.103</u>
 Recommended appropriation of profit/loss			
Proposed dividend for the year		0	0
Retained earnings		<u>-10.088.964</u>	<u>-3.103</u>
		<u>-10.088.964</u>	<u>-3.103</u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
ASSETS			
Goodwill		2.303.874	2.964
Intangible assets	4	<u>2.303.874</u>	<u>2.964</u>
Other fixtures and fittings, tools and equipment	5	1.357.736	209
Leasehold improvements	5	304.973	0
Tangible assets		<u>1.662.709</u>	<u>209</u>
Investments in subsidiaries	6	1.500.000	0
Fixed asset investments		<u>1.500.000</u>	<u>0</u>
Total non-current assets		<u>5.466.583</u>	<u>3.173</u>
Finished goods and goods for resale		1.227.447	415
Stocks		<u>1.227.447</u>	<u>415</u>
Trade receivables		1.785.807	281
Receivables from group companies		124.670	0
Other receivables		354.131	0
Deferred tax asset		914.452	0
Corporation tax		0	914
Prepayments		16.500	22
Receivables		<u>3.195.560</u>	<u>1.217</u>
Cash at bank and in hand		<u>505.815</u>	<u>516</u>
Total current assets		<u>4.928.822</u>	<u>2.148</u>
Total assets		<u>10.395.405</u>	<u>5.321</u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
EQUITY AND LIABILITIES			
Share capital		615.365	400
Retained earnings		-12.234.681	-3.432
Equity		-11.619.316	-3.032
Other provisions		0	664
Total provisions		0	664
Banks		53.145	53
Trade payables		996.583	88
Payables to group companies		20.494.131	6.657
Other payables		470.862	891
Total current liabilities		22.014.721	7.689
Total liabilities		22.014.721	7.689
Total equity and liabilities		10.395.405	5.321
Contingent liabilities	7		
Related parties and ownership structure	8		

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022	400.000	-3.430.352	-3.030.352
Increase of capital by conversion of debt	215.365	1.284.635	1.500.000
Net profit/loss for the year	0	-10.088.964	-10.088.964
Equity at 31 December 2022	<u>615.365</u>	<u>-12.234.681</u>	<u>-11.619.316</u>

NOTES

	2022 DKK	2021 TDKK
1 STAFF COSTS		
Wages and salaries	6.473.291	2.411
Pensions	601.862	356
Other social security costs	13.111	0
Other staff costs	263.475	53
	<u>7.351.739</u>	<u>2.820</u>
Average number of employees	<u>10</u>	<u>3</u>
2 FINANCIAL COSTS		
Financial expenses, group entities	827.687	66
Other financial costs	29.316	2
Exchange loss	8.295	2
	<u>865.298</u>	<u>70</u>
3 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	<u>0</u>	<u>-914</u>
	<u>0</u>	<u>-914</u>
4 INTANGIBLE ASSETS		
		<u>Goodwill</u>
Cost at 1 January 2022		<u>3.300.039</u>
Cost at 31 December 2022		<u>3.300.039</u>
Impairment losses and amortisation at 1 January 2022		336.157
Amortisation for the year		<u>660.008</u>
Impairment losses and amortisation at 31 December 2022		<u>996.165</u>
Carrying amount at 31 December 2022		<u>2.303.874</u>

NOTES

5 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2022	251.000	0
Additions for the year	1.302.787	312.440
Cost at 31 December 2022	1.553.787	312.440
Revaluations at 1 January 2022	0	0
Revaluations at 31 December 2022	0	0
Impairment losses and depreciation at 1 January 2022	41.833	0
Depreciation for the year	154.218	7.467
Impairment losses and depreciation at 31 December 2022	196.051	7.467
Carrying amount at 31 December 2022	1.357.736	304.973

6 INVESTMENTS IN SUBSIDIARIES

	2022 DKK	2021 TDKK
Cost at 1 January 2022	0	0
Additions for the year	1.500.000	0
Cost at 31 December 2022	1.500.000	0
Carrying amount at 31 December 2022	1.500.000	0

7 CONTINGENT LIABILITIES

Other contingent liabilities not recognised in balance sheet

The Company is jointly taxed with other Danish companies in the Bernhoft global Invest group. The Danish companies of the Group are jointly and severally liable to tax of the Group's jointly taxed income etc. The total payable corporate tax is shown in Bernhoft Global Invest ApS' annual report, registration no. 36 96 68 90, who is managing company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable to the Danish withholding taxes in form of dividend tax, royalty tax and interest tax. Any future corrections to corporate taxes and withholding taxes can result in a larger amount of the Company's liability.

NOTES

8 RELATED PARTIES AND OWNERSHIP STRUCTURE

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Bernhoft Global Invest ApS, Rudersdal. Ultimate parent