Epiito Tech ApS

Spinderigade 24, 1., 7100 Vejle

Company reg. no. 41 67 45 20

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 31 May 2023.

Jesper Bendix Sørensen
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Managing Director has approved the annual report of Epiito Tech ApS for the financial year 1 January - 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

The Managing Director consider the conditions for audit exemption of the 2022 financial statements to be met.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Vejle, 31 May 2023

Managing Director

Jesper Bendix Sørensen

Practitioner's compilation report

To the Shareholders of Epiito Tech ApS

We have compiled the financial statements of Epiito Tech ApS for the financial year 1 January - 31 December 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Silkeborg, 31 May 2023

Revisionshuset Tal & Tanker
Statsautoriseret revisionspartnerselskab
Company reg. no. 37 31 56 64

Kuno Hesel
State Authorised Public Accountant
mne33224

Company information

The company	Epiito Tech ApS Spinderigade 24, 1. 7100 Vejle	
	Company reg. no.	41 67 45 20
	Financial year:	1 January - 31 December
Managing Director	Jesper Bendix Sørensen	
Auditors	Revisionshuset Tal & Tanker, Statsautoriseret revisionspartnerselskab Stagehøjvej 22 8600 Silkeborg	

Management´s review

The principal activities of the company

Like previous years, the activities are development, production and sales of hardware and software.

Development in activities and financial matters

The gross loss for the year totals DKK -25.631 against DKK 23.299 last year. Loss from ordinary activities after tax totals DKK -572.345 against DKK -6.020.699 last year. Management considers the loss for the year as unsatisfying.

The company has lost its share capital. The company’s going concern is dependent on the company's current credit facilities being able to be expanded and maintained the financial needs. The management has taken the necessary steps to minimize the company's costs and therefore it is expected that the company’s activities in the long term will contribute to the re-establishment of the company's equity. The annual report has been submitted with going concern in mind, as there is an expectation that the conditions mentioned will be implemented.

Income statement

All amounts in DKK.

Note		1/1 2022 - 31/12 2022	1/9 2020 - 31/12 2021
	Gross profit	**-25.631**	**23.299**
2	Staff costs	-495.916	-932.039
	Amortisation and impairment of intangibleassets	-50.000	-5.105.979
	Operating profit	**-571.547**	**-6.014.719**
3	Other financial expenses	-798	-5.980
	Pre-tax net profit or loss	**-572.345**	**-6.020.699**
	Tax on net profit or loss for the year	0	0
	Net profit or loss for the year	**-572.345**	**-6.020.699**
	Proposed distribution of net profit:		
	Allocated from retained earnings	-572.345	-6.020.699
	Total allocations and transfers	**-572.345**	**-6.020.699**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2022	2021
	Non-current assets		
	Acquired concessions, patents, licenses, trademarks, and similar rights	200.000	250.000
	Total intangible assets	200.000	250.000
	Total non-current assets	**200.000**	**250.000**
	Current assets		
	Trade receivables	0	192.220
	Other receivables	7.676	0
	Total receivables	7.676	192.220
	Cash and cash equivalents	155.942	25.766
	Total current assets	**163.618**	**217.986**
	Total assets	**363.618**	**467.986**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2022	2021
	Equity		
	Contributed capital	40.000	40.000
	Share premium	460.000	460.000
	Retained earnings	-1.237.064	-664.720
	Total equity	**-737.064**	**-164.720**
	Long term labilities other than provisions		
	Trade payables	100.318	23.938
	Payables to subsidiaries	750.000	500.000
	Other payables	250.364	108.768
	Total short term liabilities other than provisions	1.100.682	632.706
	Total liabilities other than provisions	**1.100.682**	**632.706**
	Total equity and liabilities	**363.618**	**467.986**

1 Uncertainties relating to going concern

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2022	40.000	460.000	-664.720	-164.720
Retained earnings for the year	0	0	-572.345	-572.345
	40.000	**460.000**	**-1.237.065**	**-737.065**

Notes

All amounts in DKK.

	1/1 2022 - 31/12 2022	1/9 2020 - 31/12 2021

1. Uncertainties relating to going concern

The company has lost its share capital. The company’s going concern is dependent on the company's current credit facilities being able to be expanded and maintained the financial needs. The management has taken the necessary steps to minimize the company's costs and therefore it is expected that the company’s activities in the long term will contribute to the re-establishment of the company's equity. The annual report has been submitted with going concern in mind, as there is an expectation that the conditions mentioned will be implemented.

2. Staff costs

	1/1 2022 - 31/12 2022	1/9 2020 - 31/12 2021
Salaries and wages	483.979	926.688
Other costs for social security	6.827	5.351
Other staff costs	5.110	0
	495.916	**932.039**
Average number of employees	2	2

3. Other financial expenses

	1/1 2022 - 31/12 2022	1/9 2020 - 31/12 2021
Other financial costs	798	5.980
	798	**5.980**

4. Contingencies

Contingent assets

The company har a deferred tax assets at tDKK 1.450.

Accounting policies

The annual report for Epiito Tech ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Intangible assets

Development projects, patents, and licences

Acquired concessions are measured at cost less accrued amortisation. The concessions are amortised on a straightline basis over the expected time of use, for a maximum of 5 years.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.