



Weld Technologies ApS

Danneskiold-Samsøes Allé 41
1434 København K
CVR No. 41978104

Annual report 2023

The Annual General Meeting adopted the annual report on 28.06.2024

Jonas Skytte Thordal

Chairman of the General Meeting

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Entity details

Entity

Weld Technologies ApS

Danneskiold-Samsøes Allé 41

1434 København K

Business Registration No.: 41978104

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

David Clarke

Kristian Barrett

Jonas Skytte Thordal

Executive Board

Jonas Skytte Thordal

Kristian Barrett

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Weld Technologies ApS for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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.

Copenhagen, 28.06.2024

Executive Board

Jonas Skytte Thordal

Kristian Barrett

Board of Directors

David Clarke

Kristian Barrett

Jonas Skytte Thordal

Independent auditor's extended review report

To the shareholders of Weld Technologies ApS

Conclusion

We have performed an extended review of the financial statements of Weld Technologies ApS for the financial year 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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.

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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Silkeborg, 28.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Rasmus Volert Madsen

State Authorised Public Accountant
Identification No (MNE) mne45822

Management commentary

Primary activities

The company's purpose is to conduct business in software development and commercialisation, along with any related activities.

Development in activities and finances

The company has entered into convertible loan agreements with both external lenders and shareholders in the company.

It is the company's expectation that these loans will be converted into equity either before or at maturity, or alternatively, extended so that they will expire in 2025.

Assuming that either the loans are converted into equity or the maturity of the loans is extended after the submission of the 2023 annual report, the company has the necessary liquidity to continue the company's development.

On this basis and with these assumptions, the management has submitted the annual report on the principle of going concern. See note 1 in the annual report for further information.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss	2	4,290,621	2,306,199
Staff costs	3	(8,514,496)	(16,934,066)
Depreciation, amortisation and impairment losses	4	(2,648,088)	(636,562)
Other operating expenses		(24,057)	(28,534)
Operating profit/loss		(6,896,020)	(15,292,963)
Financial expenses from group enterprises		(9)	0
Other financial expenses		(1,032,638)	(1,048,755)
Profit/loss before tax		(7,928,667)	(16,341,718)
Tax on profit/loss for the year		944,606	1,816,987
Profit/loss for the year		(6,984,061)	(14,524,731)
Proposed distribution of profit and loss			
Retained earnings		(6,984,061)	(14,524,731)
Proposed distribution of profit and loss		(6,984,061)	(14,524,731)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	6	11,657,386	9,846,886
Acquired intangible assets		279,984	333,312
Intangible assets	5	11,937,370	10,180,198
Other fixtures and fittings, tools and equipment		110,418	329,270
Property, plant and equipment	7	110,418	329,270
Investments in group enterprises		0	9
Financial assets	8	0	9
Fixed assets		12,047,788	10,509,477
Other receivables		11,532	9,935
Income tax receivable	9	944,606	1,816,987
Prepayments		0	26,970
Receivables		956,138	1,853,892
Cash		13,025,194	20,172,080
Current assets		13,981,332	22,025,972
Assets		26,029,120	32,535,449

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		48,248	48,248
Reserve for development expenditure		9,057,330	7,680,571
Retained earnings		(19,669,656)	(11,308,836)
Equity		(10,564,078)	(3,580,017)
Convertible and dividend-yielding debt instruments		0	24,103,655
Payables to owners and management		0	10,287,047
Deferred income		113,248	193,188
Non-current liabilities other than provisions	10	113,248	34,583,890
Current portion of non-current liabilities other than provisions	10	35,502,363	79,940
Trade payables		449,193	286,755
Payables to group enterprises		10,914	45,890
Other payables		234,488	562,488
Deferred income		282,992	556,503
Current liabilities other than provisions		36,479,950	1,531,576
Liabilities other than provisions		36,593,198	36,115,466
Equity and liabilities		26,029,120	32,535,449
Going concern	1		
Unrecognised rental and lease commitments	11		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	48,248	7,680,571	(11,308,836)	(3,580,017)
Transfer to reserves	0	1,376,759	(1,376,759)	0
Profit/loss for the year	0	0	(6,984,061)	(6,984,061)
Equity end of year	48,248	9,057,330	(19,669,656)	(10,564,078)

The Entity is subject to the rules of the Danish Companies Act on capital losses due to the loss of equity. The management expects to reestablish the equity through futures operating profits or capital increases.

Notes

1 Going concern

The company has entered into convertible loan agreements with both external lenders and shareholders in the company.

These convertible loans are set to expire in the autumn of 2024, and as such, they have been presented as short-term debt obligations in the annual report. As of 31 December 2023, the nominal value of the convertible loans amounts to 35.5 million DKK, including accrued interest.

It is the company's expectation that these loans will be converted into equity either before or at maturity, or alternatively, extended so that they will expire in 2025.

Assuming that either the loans are converted into equity or the maturity of the loans is extended after the submission of the 2023 annual report, the company has the necessary liquidity to continue the company's development.

On this basis and with these assumptions, the management has submitted the annual report on the principle of going concern.

2 Gross profit/loss

Gross profit/loss includes other operating income which consist of grants from Innovationsfonden amounting to 80 TDKK in 2023.

3 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	7,850,584	16,004,326
Pension costs	292,538	455,641
Other social security costs	371,374	474,099
	8,514,496	16,934,066
Average number of full-time employees	12	27

4 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	2,536,493	473,050
Depreciation of property, plant and equipment	111,595	163,512
	2,648,088	636,562

5 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK
Cost beginning of year	10,424,289	373,310
Additions	4,293,665	0
Cost end of year	14,717,954	373,310
Amortisation and impairment losses beginning of year	(577,403)	(39,998)
Amortisation for the year	(2,483,165)	(53,328)
Amortisation and impairment losses end of year	(3,060,568)	(93,326)
Carrying amount end of year	11,657,386	279,984

6 Development projects

The development projects of the enterprise comprise the development of fully function products to help businesses connect their data in one system, instead of using multiple systems.

The completed development projects have shown their worth as the software is currently being used by numerous clients, which has subscribed on use of the database.

The management has not identified indication of impairment of the recognised projects.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalized costs for development projects in the reserve for development costs under equity.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	511,695
Disposals	(176,909)
Cost end of year	334,786
Depreciation and impairment losses beginning of year	(182,425)
Depreciation for the year	(111,595)
Reversal regarding disposals	69,652
Depreciation and impairment losses end of year	(224,368)
Carrying amount end of year	110,418

8 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	9
Disposals	(9)
Cost end of year	0
Carrying amount end of year	0

9 Tax receivable

The outstanding corporate tax receivable included in the balance sheet relates to the use of the tax credit scheme under section 8 X of the Danish Tax Assessment Act, whereby the company receives payment for the tax value of losses resulting from research and development expenses. Based on the review of the criteria for using the scheme, it is management's clear understanding that the company is eligible to use the scheme, and the recognition has been made based on this assessment. There is a risk that the Danish Tax Authority may determine that the conditions for using the scheme have not been met. If so, subsequent financial years will be negatively affected by the reduction of the outstanding corporate tax receivable through "Tax for the year" in the income statement.

10 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK
Convertible and dividend-yielding debt instruments	24,826,765	0	0
Payables to owners and management	10,595,658	0	0
Deferred income	79,940	79,940	113,248
	35,502,363	79,940	113,248

The debt from convertible and dividend-yielding debt instruments and payables to owners and management is expected to be converted and, therefore, it is not expected to become due for payment.

11 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	42,000	135,000

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 with minor reclassifications.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalized, other operating income, cost of sales and external expenses etc.

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.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, salary refunds etc..

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal 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, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

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

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and acquired intellectual property rights.

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 in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement. The amortisation periods used are 7 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in 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.