

PatchXR ApS

Refshalevej 209A, 1432 København K

CVR no. 41 98 81 77

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

Adopted at the annual general meeting on 4 April
2023

Jose Eduardo Fouilloux Ugalde
chairman



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Statement by management on the annual report

The executive board has today discussed and approved the annual report of PatchXR ApS 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.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 4 April 2023

Executive board

Jose Eduardo Fouilloux Ugalde Melodie Mousset

Auditor's report on compilation of the financial statements

To the shareholders of PatchXR ApS

We have compiled the financial statements of PatchXR ApS for the financial year 1 January - 31 December 2022 based on the company's bookkeeping records and other information made available by enterprise.

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

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

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

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 4 April 2023

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

Morten Friis Munksgaard
statsautoriseret revisor
MNE no. mne34482

Company details

The company

PatchXR ApS
Refshalevej 209A
1432 København K

CVR no.: 41 98 81 77

Reporting period: 1 January - 31 December 2022

Incorporated: 22 December 2020

Domicile: Copenhagen

Executive board

Jose Eduardo Fouilloux Ugalde
Melodie Mousset

Auditors

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
Poul Bundgaards Vej 1, 1.
2500 Valby

Management's review

Business review

The company's main activity is to develop and implement projects, in particular related to virtual reality, as well as related activities.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 245.067, and the balance sheet at 31 December 2022 shows negative equity of DKK 370.577.

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 January - 31 December

	Note	2022	2020/21
		DKK	DKK
Gross profit		1.614.476	1.168.304
Staff costs	1	<u>-1.855.840</u>	<u>-1.333.793</u>
Profit/loss before amortisation/depreciation and impairment losses		-241.364	-165.489
Financial costs		<u>-3.703</u>	<u>-22</u>
Profit/loss before tax		-245.067	-165.511
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Profit/loss for the year		<u>-245.067</u>	<u>-165.511</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-245.067</u>	<u>-165.511</u>
		<u>-245.067</u>	<u>-165.511</u>

Balance sheet 31 December

	Note	2022	2021
		DKK	DKK
Assets			
Deposits		7.690	7.690
Fixed asset investments		7.690	7.690
Total non-current assets		7.690	7.690
Other receivables		17.590	0
Receivables		17.590	0
Cash at bank and in hand		36.346	14.937
Total current assets		53.936	14.937
Total assets		61.626	22.627

Balance sheet 31 December

	Note	2022	2021
		DKK	DKK
Equity and liabilities			
Share capital		40.000	40.000
Retained earnings		-410.577	-165.511
Equity		-370.577	-125.511
Trade payables		16.875	0
Payables to group		220.429	5.589
Other payables		194.899	142.549
Total current liabilities		432.203	148.138
Total liabilities		432.203	148.138
Total equity and liabilities		61.626	22.627

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40.000	-165.510	-125.510
Net profit/loss for the year	0	-245.067	-245.067
Equity at 31 December	40.000	-410.577	-370.577

Notes

	<u>2022</u>	<u>2020/21</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	1.684.851	1.228.005
Pensions	88.180	36.434
Other social security costs	26.139	15.402
Other staff costs	56.670	53.952
	<u>1.855.840</u>	<u>1.333.793</u>
Average number of employees	<u>3</u>	<u>3</u>

Accounting policies

The annual report of PatchXR 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

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

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 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

Other investments

Other financial assets, which consist of deposita measured at price of cost.

Receivables

Receivables are measured at amortised cost.

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

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.

Accounting policies

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.

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