

Baylund Management ApS

Bredgade 6,
1260 København K

CVR No. 42040223

Annual Report 2023

3. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 25 June 2024

Anna Baylund
Chairman of the AGM

Baylund Management ApS

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Baylund Management ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Baylund Management ApS for the financial year 1 January 2023 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

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

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 25 June 2024

Executive Board

Svend Tøttrup
CEO

Supervisory Board

Birger Baylund
Chairman

Sofie Haugen Baylund
Member

Randi Haugen Baylund
Member

Oskar Haugen Baylund
Member

Anna Baylund
Member

Andreas Haugen Baylund
Member

Baylund Management ApS

Auditors' Report on Compilation of Financial Statements

To the Management of Baylund Management ApS

We have compiled the accompanying financial statements of Baylund Management ApS for the financial year 1 January 2023 - 31 December 2023 based on the information you have provided.

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

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 you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statement Act. We have complied with relevant requirements under the Danish Act on Approved auditors and Audit Firms and the 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.

The Financial Statement 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 review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Accounts Act.

Copenhagen, 25 June 2024

HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED

CVR-no. 35649417

John Petersson

State Authorised Public Accountant

mne29420

Baylund Management ApS

Company details

Company	Baylund Management ApS Bredgade 6, 1260 København K
CVR No.	42040223
Date of formation	19 January 2021
Financial year	1 January 2023 - 31 December 2023
Supervisory Board	Birger Baylund Sofie Haugen Baylund Randi Haugen Baylund Oskar Haugen Baylund Anna Baylund Andreas Haugen Baylund
Executive Board	Svend Tøttrup
Parent Company	Baylund Holding ApS
Group enterprises	BikeRunners Friends ApS Biowatch Friends ApS BlueJay Friends ApS
Participating interest	JnB International ApS
Auditors	HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED Jens Kofods Gade 1, 4. tv. 1268 København K CVR-no.: 35649417

Baylund Management ApS

Management's Review

The Company's principal activities

The company's investment philosophy remains unchanged. Investing in Impact Startup's will not only make the World a better place for humans and nature, but we also believe, it will make a higher return on our investments!

Baylund Management is funded from Baylund Holding and provide SPV setups to each target investment inviting other Business Angels into syndicates.

Development in activities and the financial situation

2023 has been a challenging but also highly interesting year. Our start-ups all needed a strategical review and changes to be in the best possible position to achieve marked and technology fit. Strong founders have been ready to reposition their companies accordingly and are now in a good sharp to meet the future international requirements. It has been inspiring to be part of those journeys.

In 2023 Baylund Management also took the step from exclusively being investor to also step in as one of the founders in an impact start up. It has been great to work with both position and use our skills and competences in the most effective ways in the start-up environment.

The reposition of our start-ups has required a DKK 2,6M write down of the valuation of one of our investments Biowatch yet our portfolio is now preparing for a prosperous 2024 and 2025.

During 2023 we invested DKK 0,2mio in Biowatch to support the restructuring of the company and DKK 0,4mio in Zmart NetZero ApS a new investment. This company deliver intelligent services for energy storage to save bills and reduce CO2 emission. Further we took the roll as founder and CEO in Zmart NetZero ApS.

We want either to be close to the company and involved in the operation or invest smaller tickets maybe with other investors as lead manager.

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -3.188.169 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 4.948.253 and an equity of DKK -3.868.503.

Please find more details on our website www.baylundmanagement.com.

Loss of equity

The company has lost more than 50% of its equity and is therefore comprehend by the capital provisions in section 119 of the Danish Companies Act. The company expects to reestablish the capital either through normal activities or debt conversion. The parent company Baylund Holding ApS supports the running activities of the Company and will provide sufficient cash to cover existing and future liabilities until 31 December 2024. Thus, the annual report is presented on the assumption of continued operation.

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.

Baylund Management ApS

Accounting Policies

Reporting Class

The annual report of Baylund Management ApS for 2023 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.

The accounting policies applied remain unchanged from last year.

Consolidated Financial Statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The annual report is presented in Danish kroner.

Income statement

Revenue

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Income from investments in group enterprises and participating interests

Income from equity investments comprises dividends from group enterprises and associates.

Financial income and expenses

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

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

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.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Accounting Policies

Balance sheet

Long term investments and receivables

Equity investments in group enterprises and associates

Equity investments in group enterprises and participating interests are measured at fair value. Revaluations and reversals of these, less deferred tax, are recognised directly in equity.

Receivables

Receivables are measured at amortized 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.

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.

Provisions

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 crystallize as current tax.

Current tax liabilities

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

Other payables

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Baylund Management ApS

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit	2	-244.530	-222.002
Depreciation		-30.179	-6.706
Profit from ordinary operating activities	2	-274.709	-228.708
Other finance income	3	0	1.088
Impairment of financial assets		-2.665.248	0
Finance expenses	4	-395.702	-328.319
Profit from ordinary activities before tax		-3.335.660	-555.939
Tax expense on ordinary activities	5	147.491	121.961
Profit		-3.188.169	-433.978
Proposed distribution of results			
Retained earnings		-3.188.169	-433.978
Distribution of profit		-3.188.169	-433.978

Baylund Management ApS

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Fixtures, fittings, tools and equipment		30.179	60.358
Property, plant and equipment	6	30.179	60.358
Long-term investments in group enterprises	7, 8	201.792	237.480
Participating interests	8, 9	40.000	0
Other investments		191.000	0
Long-term receivables from group enterprises	10	4.060.884	6.720.132
Deposits	11	39.000	38.990
Investments		4.532.676	6.996.602
Fixed assets		4.562.855	7.056.960
Short-term trade receivables		0	71.322
Short-term receivables from participating interests		4.731	0
Current deferred tax		269.452	121.961
Other short-term receivables		94.779	33.304
Receivables		368.962	226.587
Cash and cash equivalents		16.436	94.993
Current assets		385.399	321.580
Assets		4.948.253	7.378.540

Baylund Management ApS

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		40.000	40.000
Revaluation reserve		94.312	130.000
Retained earnings		-4.002.815	-814.646
Equity		-3.868.503	-644.646
Payables to group enterprises		8.676.968	7.943.190
Long-term liabilities other than provisions	12	8.676.968	7.943.190
Trade payables		77.048	47.652
Other payables		0	30.000
Payables to shareholders and management		62.740	2.344
Short-term liabilities other than provisions		139.788	79.996
Liabilities other than provisions within the business		8.816.756	8.023.186
Liabilities and equity		4.948.253	7.378.540
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Baylund Management ApS

Statement of changes in Equity

	Contributed capital	Revaluation reserve	Retained earnings	Total
Equity 1 January 2023	40.000	130.000	-814.646	-644.646
Profit (loss)	0	0	-3.188.169	-3.188.169
Revaluations	0	-35.688	0	-35.688
Equity 31 December 2023	40.000	94.312	-4.002.815	-3.868.503

The share capital has remained unchanged since the establishment of the company.

Notes

	2023	2022
1. Revenue		
Revenue, Denmark	125.541	402.602
Revenue, EU	245.913	274.356
	<u>371.454</u>	<u>676.958</u>
2. Profit from ordinary operating activities		
Revenue	371.454	676.958
Direct costs	-238.655	-393.104
Gross profit before other costs	<u>132.799</u>	<u>283.854</u>
Other cost	377.329	505.856
Depreciation	30.179	6.706
Other costs	<u>407.508</u>	<u>512.562</u>
Profit from ordinary operating activities	<u>-274.709</u>	<u>-228.708</u>
3. Other finance income		
Other finance income	0	1.088
	<u>0</u>	<u>1.088</u>
4. Finance expenses		
Finance expenses arising from group enterprises	393.778	328.319
Other finance expenses	1.924	0
	<u>395.702</u>	<u>328.319</u>
5. Tax expense		
Adjustments for deferred tax	-147.491	-121.961
	<u>-147.491</u>	<u>-121.961</u>
6. Property, plant and equipment		
Cost at the beginning of the year		<u>60.358</u>
Cost at the end of the year		<u>60.358</u>
Amortisation for the year		<u>-30.179</u>
Impairment losses and amortisation at the end of the year		<u>-30.179</u>
Carrying amount at the end of the year		<u>30.179</u>

Notes

	2023	2022
7. Long-term investments in group enterprises		
Cost at the beginning of the year	277.480	108.240
Addition during the year	0	170.000
Disposal during the year	0	-760
Cost at the end of the year	277.480	277.480
Depreciation and amortisation at the beginning of the year	-40.000	0
Impairment losses for the year	-35.781	-40.000
Impairment losses and amortisation at the end of the year	-75.781	-40.000
Carrying amount at the end of the year	201.699	237.480

8. Disclosure in long-term investments in group enterprises and participating interest

Group enterprises

Name	Registered office	Share held in		Equity	Profit
			%		
BikeRunners Friends ApS	Lyngby-Taarbaek	100,00		-66.155	-1.794
Biowatch Friends ApS	Lyngby-Taarbaek	68,70		-3.783.251	-3.817.921
BlueJay Friends ApS	Lyngby-Taarbaek	100,00		201.792	-2.801
				-3.647.614	-3.822.516

Participating interests

Name	Registered office	Share held in	
			%
JnB International ApS	Copenhagen		50,00

No official Annual Report 2023 for JnB International ApS has been prepared due to the fact that the first accounting period is ended 31 December 2024.

9. Long-term participating interests

Cost at the beginning of the year	0	0
Addition during the year	40.000	0
Cost at the end of the year	40.000	0
Carrying amount at the end of the year	40.000	0

Notes

	2023	2022	
10. Long-term receivables from group enterprises			
Cost at the beginning of the year	6.720.132	4.044.578	
Addition during the year	0	2.675.554	
Cost at the end of the year	6.720.132	6.720.132	
Impairment losses for the year	-2.665.248	0	
Impairment losses and amortisation at the end of the year	-2.665.248	0	
Carrying amount at the end of the year	4.054.884	6.720.132	
11. Deposits			
Cost at the beginning of the year	38.990	75.360	
Addition during the year	10	0	
Disposal during the year	0	-36.370	
Cost at the end of the year	39.000	38.990	
Carrying amount at the end of the year	39.000	38.990	
12. Long-term liabilities			
	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	8.676.968	0	0
	8.676.968	0	0

13. Uncertainties relating to going concern

The company has lost more than 50% of its equity and is therefore comprehend by the capital provisions in section 119 of the Danish Companies Act.

The company expects to reestablish the capital either through normal activities or debt conversion.

The parent company Baylund Holding ApS supports the running activities of the Company and will provide sufficient cash to cover existing and future liabilities until 31 December 2024. Thus, the annual report is presented on the assumption of continued operation.

14. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

The total amount appears from the annual report of Baylund Holding ApS which is the administration company in the joint taxation.

Notes

2023

2022

15. Collaterals and securities

No securities or mortgages exist at the balance sheet date.