

# Baylund Management ApS

Bredgade 6,  
1260 København K

CVR No. 42040223

## Annual Report 2022

2. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 14 June 2023

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Anna Baylund  
Chairman

## **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 2022 - 31 December 2022.

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 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

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, 14 June 2023

#### **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 2022 - 31 December 2022 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, 14 June 2023

**Harboe Consult ApS - GODKENDT REVISIONSVIRKSOMHED**

CVR-no. 35649417

John Petersson

State Authorised Public Accountant

mne29420

## Baylund Management ApS

### Company details

<b>Company</b>	Baylund Management ApS Bredgade 6, 1260 København K
Telephone	40 84 23 63
E-mail	birger@baylund.com
CVR No.	42040223
Date of formation	19 January 2021
Financial year	1 January 2022 - 31 December 2022
<b>Supervisory Board</b>	Birger Baylund Sofie Haugen Baylund Randi Haugen Baylund Oskar Haugen Baylund Anna Baylund Andreas Haugen Baylund
<b>Executive Board</b>	Svend Tøttrup
<b>Parent Company</b>	Baylund Holding ApS
<b>Group enterprises</b>	BikeRunners Friends ApS Biowatch Friends ApS BlueJay Friends ApS
<b>Auditors</b>	Harboe Consult ApS - GODKENDT REVISIONSVIRKSOMHED Grønningen 17, st. th. 1270 København K CVR-no.: 35649417

## **Baylund Management ApS**

### **Management's Review**

#### **The Company's principal activities**

The objective of the company is to conduct within trade, service, and industry and to carry out any related business.

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**

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -433.977 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 7.419.789 and an equity of DKK -644.647.

#### **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 2023. Thus, the annual report is presented on the assumption of continued operation.

#### **The Company's activities during the year**

Baylund Management went live in April 2021 with focus on early-stage investments, acting as lead investor with 10-15% ownership. Being operational covering Go-To Market and Corporate Finance, we aim to reduce investor risk and accelerate equity value creation by engaging this way.

During the 18 months, we have invested in 3 Startup's (bikerunner.dk) and (biowatch.me) both with HQ in Denmark and (axonjay.ai) with HQ in Belgium. 2022 was a difficult year for our startup's mainly due to the investment market drying out caused mainly by macroeconomic factors. Consequently, Seed Round's was postponed into 2023/24. So instead of expanding our portfolio, we secured our initial investments with additional funding of 3,6m DKK. This increased the total investment to 10,5m DKK (6,7m DKK).

Despite the general downturn in the investment market followed by lower prices the value of our investments has overall kept their valuation based on a fair value assessment and 3rd party investments. To be prudent we made a reservation of DKK 100.000 at our investment in BikeRunner equal to 14% while our investment in Axonjay is developing very promising and we write up the valuation with DKK 170.000 or 25%.

During 2022, the company moved from its initial location in Kongens Lyngby to a prime position in Bredgade in the center of Copenhagen. The rental cost was reduced due to less office square meters.

We expect the difficult funding climate to continue into 2023, but if it improves later in the year, we will proceed with Seed Round for AxonJay (BE).

Please find more details on our website [www.baylundmanagement.com](http://www.baylundmanagement.com).

## **Baylund Management ApS**

### **Accounting Policies**

#### **Reporting Class**

The annual report of Baylund Management ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

#### **Reporting currency**

The annual report is presented in Danish kroner.

### **General information**

#### **Basis of recognition and measurement**

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

### **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 associates**

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

## **Accounting Policies**

### **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).

## **Balance sheet**

### **Equity investments in group enterprises and associates**

Equity investments in group enterprises and associates 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.



## **Accounting Policies**

### **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	2022 kr.	2021 kr.
<b>Gross profit</b>	2	<b>-222.002</b>	<b>-435.671</b>
Depreciation, amortisation expense and impairment losses of plant and equipment recognised in profit or loss		-6.706	0
<b>Profit from ordinary operating activities</b>	2	<b>-228.708</b>	<b>-435.671</b>
Other finance income	3	1.088	0
Finance expenses	4	-328.319	-51.893
<b>Profit from ordinary activities before tax</b>		<b>-555.939</b>	<b>-487.565</b>
Tax expense on ordinary activities		121.961	106.896
<b>Profit</b>		<b>-433.978</b>	<b>-380.669</b>
<b>Proposed distribution of results</b>			
Retained earnings		-433.978	-380.669
<b>Distribution of profit</b>		<b>-433.978</b>	<b>-380.669</b>

Baylund Management ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Fixtures, fittings, tools and equipment		60.358	0
<b>Property, plant and equipment</b>	5	<b>60.358</b>	<b>0</b>
Long-term investments in group enterprises	6, 7	237.480	108.240
Long-term receivables from group enterprises	8	6.720.132	4.044.578
Deposits	9	38.990	75.360
<b>Investments</b>		<b>6.996.602</b>	<b>4.228.178</b>
<b>Fixed assets</b>		<b>7.056.960</b>	<b>4.228.178</b>
Short-term trade receivables		71.322	71.320
Current deferred tax		121.961	0
Short-term tax receivables from group enterprises		0	106.896
Other short-term receivables		74.553	147.051
<b>Receivables</b>		<b>267.835</b>	<b>325.266</b>
<b>Cash and cash equivalents</b>		<b>94.993</b>	<b>225.056</b>
<b>Current assets</b>		<b>362.829</b>	<b>550.323</b>
<b>Assets</b>		<b>7.419.788</b>	<b>4.778.501</b>

Baylund Management ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		40.000	40.000
Revaluation reserve		130.000	0
Retained earnings		-814.646	-380.669
<b>Equity</b>		<b>-644.646</b>	<b>-340.669</b>
Payables to group enterprises		7.943.190	5.001.767
<b>Long-term liabilities other than provisions</b>	10	<b>7.943.190</b>	<b>5.001.767</b>
Trade payables		47.652	100.001
Other payables		71.248	12.000
Payables to shareholders and management		2.344	5.402
<b>Short-term liabilities other than provisions</b>		<b>121.244</b>	<b>117.402</b>
<b>Liabilities other than provisions within the business</b>		<b>8.064.435</b>	<b>5.119.169</b>
<b>Liabilities and equity</b>		<b>7.419.788</b>	<b>4.778.501</b>
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## Baylund Management ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	40.000	0	-380.669	-340.669
Profit (loss)	0	0	-433.978	-433.978
Revaluations	0	130.000	0	130.000
<b>Equity 31 December 2022</b>	<b>40.000</b>	<b>130.000</b>	<b>-814.647</b>	<b>-644.647</b>

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

Notes

	2022	2021
<b>1. Revenue</b>		
Revenue, Denmark	402.602	171.081
Revenue, EU	274.356	146.021
	<u>676.958</u>	<u>317.102</u>
<b>2. Profit from ordinary operating activities</b>		
Revenue	676.958	317.102
Direct costs	-393.104	-190.000
<b>Gross profit before other costs</b>	<u>283.854</u>	<u>127.102</u>
Other costs	505.856	562.773
<b>Other costs</b>	<u>505.856</u>	<u>562.773</u>
Profit from ordinary operating activities	<u>-222.002</u>	<u>-435.671</u>
<b>3. Other finance income</b>		
Other finance income	1.088	0
	<u>1.088</u>	<u>0</u>
<b>4. Finance expenses</b>		
Finance expenses arising from group enterprises	328.319	51.767
Other finance expenses	0	126
	<u>328.319</u>	<u>51.893</u>
<b>5. Property, plant and equipment</b>		
Addition during the year, incl. improvements		<u>67.064</u>
<b>Cost at the end of the year</b>		<u>67.064</u>
Amortisation for the year		<u>-6.706</u>
<b>Impairment losses and amortisation at the end of the year</b>		<u>-6.706</u>
<b>Carrying amount at the end of the year</b>		<u>60.358</u>

Notes

	2022	2021
<b>6. Long-term investments in group enterprises</b>		
Cost at the beginning of the year	108.240	0
Addition during the year	0	108.240
Disposal during the year	-760	0
<b>Cost at the end of the year</b>	<b>107.480</b>	<b>108.240</b>
Revaluations for the year	170.000	0
<b>Revaluations at the end of the year</b>	<b>170.000</b>	<b>0</b>
Impairment losses for the year	-40.000	0
<b>Impairment losses and amortisation at the end of the year</b>	<b>-40.000</b>	<b>0</b>
<b>Carrying amount at the end of the year</b>	<b>237.480</b>	<b>108.240</b>

**7. Disclosure in long-term investments in group enterprises**

*Group enterprises*

Name	Registered office	Share held in %	Equity	Profit
BikeRunners Friends ApS	Lyngby-Taarbaek	100,00	-64.361	-102.522
Biowatch Friends ApS	Lyngby-Taarbaek	68,70	34.669	-2.376
BlueJay Friends ApS	Lyngby-Taarbaek	100,00	204.593	167.676
			<b>174.901</b>	<b>62.778</b>

**8. Long-term receivables from group enterprises**

Cost at the beginning of the year	4.044.578	0
Addition during the year	2.675.554	4.044.578
<b>Cost at the end of the year</b>	<b>6.720.132</b>	<b>4.044.578</b>
<b>Carrying amount at the end of the year</b>	<b>6.720.132</b>	<b>4.044.578</b>

**9. Deposits**

Cost at the beginning of the year	75.360	0
Addition during the year	0	75.360
Disposal during the year	-36.370	0
<b>Cost at the end of the year</b>	<b>38.990</b>	<b>75.360</b>
<b>Carrying amount at the end of the year</b>	<b>38.990</b>	<b>75.360</b>

**10. Long-term liabilities**

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	7.943.190	0	0
	<b>7.943.190</b>	<b>0</b>	<b>0</b>

## Notes

2022

2021

### 11. Uncertainties relating to going concern

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

The company expects to reestablish the capital either though 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 2023.

Thus, the annual report is presented on the assumption of continued operation.

### 12. 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.

### 13. Collaterals and securities

No securities or mortgages exist at the balance sheet date.