



M2Call ApS

Erik Husfeldts Vej 7
2630 Taastrup
CVR No. 42245933

Annual report 2023

The Annual General Meeting adopted the annual report on 31.05.2024

Alex Pløger

Chairman of the General Meeting

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Entity details

Entity

M2Call ApS

Erik Husfeldts Vej 7

2630 Taastrup

Business Registration No.: 42245933

Registered office: Høje-Taastrup

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Michael Lange

Caroline Sofie Axelsson

Niels Erik Blangstrup Zibrandtsen

Executive Board

Karsten Frank Rye Madsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of M2Call 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.

Taastrup, 31.05.2024

Executive Board

Karsten Frank Rye Madsen

Board of Directors

Michael Lange

Caroline Sofie Axelsson

Niels Erik Blangstrup Zibrandtsen

Independent auditor's report

To the shareholders of M2Call ApS

Opinion

We have audited the financial statements of M2Call 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.

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 opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion 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 audit 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 audit 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 the 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.

Copenhagen, 31.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Thomas Rosquist Andersen

State Authorised Public Accountant

Identification No (MNE) mne31482

Kasper Ørtoft

State Authorised Public Accountant

Identification No (MNE) mne49073

Management commentary

Primary activities

The purpose of the company is to do business within the field of software development and hardware solutions.

Description of material changes in activities and finances

The Company's Income Statement of the financial year 01.01.2023 - 31.12.2023 shows a result of TDKK 6.728, and the Balance Sheet at 31 December 2023 a balance sheet total of TDKK 22.682 and an equity of TDKK 20.790.

Management finds the result in accordance with the plan for the year 2023, and is satisfied with the progress and development of the company according to the long term plan.

The company has secured a credit facility from its parent company. This financial support ensures that the company has sufficient liquidity to meet its obligations as they fall due.

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		(83,509)	(1,116,782)
Staff costs	2	(6,736,433)	(4,022,134)
Operating profit/loss		(6,819,942)	(5,138,916)
Other financial income		4,470	0
Other financial expenses		(4,673)	(10,321)
Profit/loss before tax		(6,820,145)	(5,149,237)
Tax on profit/loss for the year	3	92,397	(6,685)
Profit/loss for the year		(6,727,748)	(5,155,922)
Proposed distribution of profit and loss			
Retained earnings		(6,727,748)	(5,155,922)
Proposed distribution of profit and loss		(6,727,748)	(5,155,922)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Development projects in progress	5	20,762,553	6,345,265
Intangible assets	4	20,762,553	6,345,265
Fixed assets		20,762,553	6,345,265
Manufactured goods and goods for resale		164,200	0
Inventories		164,200	0
Receivables from group enterprises		3,473	97,368
Other receivables		979,743	950,278
Prepayments		154,094	5,000
Receivables		1,137,310	1,052,646
Cash		617,664	1,453,025
Current assets		1,919,174	2,505,671
Assets		22,681,727	8,850,936

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		50,000	50,000
Reserve for development expenditure		16,194,791	0
Retained earnings		4,545,344	4,967,883
Equity		20,790,135	5,017,883
Trade payables		763,795	321,208
Payables to group enterprises		423,695	3,141,721
Other payables		704,102	370,124
Current liabilities other than provisions		1,891,592	3,833,053
Liabilities other than provisions		1,891,592	3,833,053
Equity and liabilities		22,681,727	8,850,936
Going concern	1		
Contingent liabilities	6		
Group relations	7		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	0	4,967,883	5,017,883
Group contributions etc.	0	0	22,500,000	22,500,000
Transfer to reserves	0	16,194,791	(16,194,791)	0
Profit/loss for the year	0	0	(6,727,748)	(6,727,748)
Equity end of year	50,000	16,194,791	4,545,344	20,790,135

M2Call ApS established an incentive program in 2023, where employees of the company were granted subscription rights. The subscription rights can be exercised by the holders of the rights by subscribing for shares against cash payment. As of December 31, 2023, the total number of granted subscription rights is 6,950, none of which have been exercised. Each subscription right entitles the holder to subscribe for one share at DKK 1 in M2Call ApS. In the event of a sale of the company, all subscription rights can be exercised to the extent that the rights have not expired.

Notes

1 Going concern

The company has secured a credit facility from its parent company. This financial support ensures that the company has sufficient liquidity to meet its obligations as they fall due.

As a result, the financial statements have been prepared on a going concern basis.

2 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	5,845,565	3,475,253
Pension costs	470,626	285,714
Other social security costs	30,957	18,366
Other staff costs	389,285	242,801
	6,736,433	4,022,134
Average number of full-time employees	9	5

3 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Adjustment concerning previous years	(92,397)	6,685
	(92,397)	6,685

4 Intangible assets

	Development projects in progress
	DKK
Cost beginning of year	6,345,265
Additions	14,417,288
Cost end of year	20,762,553
Carrying amount end of year	20,762,553

5 Development projects

Development costs are related to the development of the company's unique hardware and software products.

6 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where LNZ Holding Zibra ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

7 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

LNZ Holding Zibra ApS
Høveltevej 67
DK-3460 Birkerød
CVR-no. 39 18 89 96

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.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of goods and services in the income statement when the risk has passed 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.

Other operating income

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

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.

Other financial income

Other financial income comprises interest income, #including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, 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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intangible assets**

Intangible assets comprise development projects in progress.

Development projects are 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 under "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.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value. Cost consists of purchase price plus delivery costs.

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.