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# *YanchWare ApS*

Mågevej 11, DK-9640 Farsø

## Annual Report for 11 May 2021 - 31 December 2021

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CVR No. 42 38 04 90

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 30/5 2022

Angelo Agatino  
Nicolosi  
Chairman of the  
general meeting



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## Management's statement

The Executive Board has today considered and adopted the Financial Statements of YanchWare ApS for the financial year 11 May - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Farsø, 30 May 2022

**Executive Board**

Angelo Agatino Nicolosi  
Manager

# Practitioner's Statement on Compilation of Financial Statements

To the Management of YanchWare ApS

We have compiled the Financial Statements of YanchWare ApS for the financial year 11 May - 31 December 2021 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of 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 the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Aalborg, 30 May 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Torben Toft Kristensen

State Authorised Public Accountant

mne27727

## Company information

|                        |   |
|------------------------|---|
| <b>The Company</b>     | YanchWare ApS<br>Mågevej 11<br>DK-9640 Farsø<br>CVR No: 42 38 04 90<br>Financial period: 11 May - 31 December<br>Municipality of reg. office: Farsø |
| <b>Executive board</b> | Angelo Agatino Nicolosi   |
| <b>Auditors</b>        | PricewaterhouseCoopers<br>Statsautoriseret Revisionspartnerselskab<br>Skelagervej 1A<br>9000 Aalborg  |

# Management's review

## Key activities

The company's most important activity consists of the sale of licenses and subscriptions for the two software products, Fractal Cloud and Ocelot, created and maintained by its teams. A secondary revenue stream is represented by the provisioning of services extending the products mentioned above.

## Development in the year

The company's income statement for 2021 shows a profit of DKK 1,041,185. This exceeds the expectations set for the company at the beginning of the year as we focused a large number of resources and investments on attracting talents for our teams, reaching the goal we set at the beginning of the year of doubling our numbers during 2021.

## Operating risks

In 2021 the company has succeeded in focusing more than 75% of its resources on the development and sales of its products and on the provisioning of the services related to them. The remainder of the resources is still used in consultancy work unrelated to product support and/or development.

## Targets and expectations for the year ahead

The company's expectation for 2022 is to double its team size while maintaining the same profit level due to the investment required in human resources. We plan to reduce the ratio between the resources focused on the development and support of our products and the resources used on consultancy work unrelated to those areas. However, we will not attempt to remove this completely, as these experiences bring great perspective and new insights to the product teams.

## Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

## Unusual events

The financial position at 31 December 2021 of the Company and the results of the activities and cash flows of the Company for the financial year for 2021 have not been affected by any unusual events.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income statement 11 May - 31 December

|   | Note | 2021<br>DKK<br>8 months |
|---|------|-------------------------|
| Gross profit/loss                                       |      | 2,340,357               |
| Staff expenses  | 1    | -1,001,108              |
| <b>Profit/loss before financial income and expenses</b> |      | <b>1,339,249</b>        |
| Financial expenses                                      |      | -4,188                  |
| <b>Profit/loss before tax</b>                           |      | <b>1,335,061</b>        |
| Tax on profit/loss for the year                         | 2    | -293,876                |
| <b>Net profit/loss for the year</b>                     |      | <b>1,041,185</b>        |

### Distribution of profit

|  | 2021<br>DKK      |
|--|------------------|
| <b>Proposed distribution of profit</b> |                  |
| Proposed dividend for the year         | 500,000          |
| Retained earnings                      | 541,185          |
|  | <b>1,041,185</b> |

## Balance sheet 31 December

### Assets

|                                    | <u>Note</u> | <u>2021</u>      |
|------------------------------------|-------------|------------------|
|                                    |             | DKK              |
| Trade receivables                  |             | 703,000          |
| Receivables from group enterprises |             | 5,200            |
| Other receivables                  |             | 3,125            |
| <b>Receivables</b>                 |             | <u>711,325</u>   |
| <br>                               |             |                  |
| Cash at bank and in hand           |             | <u>1,379,106</u> |
| <br>                               |             |                  |
| <b>Current assets</b>              |             | <u>2,090,431</u> |
| <br>                               |             |                  |
| <b>Assets</b>                      |             | <u>2,090,431</u> |



## Balance sheet 31 December

### Liabilities and equity

|                                   | <u>Note</u> | <u>2021</u>             |
|-----------------------------------|-------------|-------------------------|
|                                   |             | DKK                     |
| Share capital                     |             | 40,000                  |
| Retained earnings                 |             | 541,185                 |
| Proposed dividend for the year    |             | 500,000                 |
| <b>Equity</b>                     |             | <u><b>1,081,185</b></u> |
| <br>                              |             |                         |
| Payables to owners and Management |             | 36,373                  |
| Corporation tax                   |             | 293,876                 |
| Other payables                    |             | 678,997                 |
| <b>Short-term debt</b>            |             | <u><b>1,009,246</b></u> |
| <br>                              |             |                         |
| <b>Debt</b>                       |             | <u><b>1,009,246</b></u> |
| <br>                              |             |                         |
| <b>Liabilities and equity</b>     |             | <u><b>2,090,431</b></u> |

Accounting Policies

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## Statement of changes in equity

|   | Share capital | Retained earnings | Proposed dividend for the year | Total            |
|---|---------------|-------------------|--------------------------------|------------------|
|   | DKK           | DKK               | DKK                            | DKK              |
| Equity at 11 May                            | 0             | 0                 | 0                              | 0                |
| Cash payment concerning formation of entity | 40,000        | 0                 | 0                              | 40,000           |
| Net profit/loss for the year                | 0             | 541,185           | 500,000                        | 1,041,185        |
| <b>Equity at 31 December</b>                | <b>40,000</b> | <b>541,185</b>    | <b>500,000</b>                 | <b>1,081,185</b> |

# Notes to the Financial Statements

|                                | <u>2021</u><br>DKK      |
|--------------------------------|-------------------------|
| <b>1. Staff Expenses</b>       |                         |
| Wages and salaries             | 994,860                 |
| Other social security expenses | <u>6,248</u>            |
|                                | <b><u>1,001,108</u></b> |
| <br>                           |                         |
| Average number of employees    | <u>4</u>                |
| <br>                           |                         |
|                                | <u>2021</u><br>DKK      |
| <b>2. Income tax expense</b>   |                         |
| Current tax for the year       | <u>293,876</u>          |
|                                | <b><u>293,876</u></b>   |

# Notes to the Financial Statements

## 3. Accounting policies

The Annual Report of YanchWare ApS for 2021 has been prepared 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.

The Financial Statements for 2021 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

## Income statement

### Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

# Notes to the Financial Statements

## Staff expenses

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. The item is net of refunds made by public authorities.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

# Balance sheet

## Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## Equity

### Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.