
YanchWare ApS

Mågevej 11, DK-9640 Farsø

Annual Report for 2022

CVR No. 42 38 04 90

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 24/5 2023

Angelo Agatino
Nicolosi
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Practitioner's Statement on Compilation of Financial Statements	2
Company information	
Company information	3
Financial Statements	
Income statement 1 January - 31 December	4
Balance sheet 31 December	5
Statement of changes in equity	7
Notes to the Financial Statements	8

Management's statement

The Executive Board has today considered and adopted the Financial Statements of YanchWare ApS for the financial year 1 January - 31 December 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

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

Farsø, 24 May 2023

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 1 January - 31 December 2022 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, 24 May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Toft Kristensen

State Authorised Public Accountant

mne27727

Company information

The Company

YanchWare ApS
Mågevej 11
DK-9640 Farsø

CVR No: 42 38 04 90

Financial period: 1 January - 31 December

Municipality of reg. office: Vesthimmerland

Executive board

Angelo Agatino Nicolosi

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Skelagervej 1A
9000 Aalborg

Income statement 1 January - 31 December

	Note	2022	2021
		DKK 12 months	DKK 8 months
Gross profit		1,632,255	2,340,357
Staff expenses	2	-2,268,102	-1,001,108
Profit/loss before financial income and expenses		-635,847	1,339,249
Financial expenses	3	-7,240	-4,188
Profit/loss before tax		-643,087	1,335,061
Tax on profit/loss for the year	4	141,048	-293,876
Net profit/loss for the year		-502,039	1,041,185

Distribution of profit

	2022	2021
	DKK	DKK
Proposed distribution of profit		
Proposed dividend for the year	0	500,000
Retained earnings	-502,039	541,185
	-502,039	1,041,185

Balance sheet 31 December

Assets

	Note	2022	2021
		DKK	DKK
Trade receivables		617,063	703,000
Receivables from group enterprises		0	5,200
Other receivables		1,842	3,125
Deferred tax asset		141,048	0
Receivables		<u>759,953</u>	<u>711,325</u>
Cash at bank and in hand		<u>306,820</u>	<u>1,379,106</u>
Current assets		<u>1,066,773</u>	<u>2,090,431</u>
Assets		<u>1,066,773</u>	<u>2,090,431</u>

Balance sheet 31 December

Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		39,146	541,185
Proposed dividend for the year		0	500,000
Equity		79,146	1,081,185
Trade payables		266,169	0
Payables to group enterprises		281,879	0
Payables to owners and Management		0	36,373
Corporation tax		0	293,876
Other payables		439,579	678,997
Short-term debt		987,627	1,009,246
Debt		987,627	1,009,246
Liabilities and equity		1,066,773	2,090,431
Key activities	1		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	40,000	541,185	500,000	1,081,185
Ordinary dividend paid	0	0	-500,000	-500,000
Net profit/loss for the year	0	-502,039	0	-502,039
Equity at 31 December	40,000	39,146	0	79,146

Notes to the Financial Statements

1. 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.

	<u>2022</u>	<u>2021</u>
	DKK	DKK
2. Staff Expenses		
Wages and salaries	2,242,446	994,860
Other social security expenses	<u>25,656</u>	<u>6,248</u>
	2,268,102	1,001,108
Average number of employees	<u>3</u>	<u>4</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
3. Financial expenses		
Interest paid to group enterprises	441	0
Other financial expenses	6,799	4,186
Exchange adjustments, expenses	<u>0</u>	<u>2</u>
	7,240	4,188

	<u>2022</u>	<u>2021</u>
	DKK	DKK
4. Income tax expense		
Current tax for the year	0	293,876
Deferred tax for the year	<u>-141,048</u>	<u>0</u>
	-141,048	293,876

Notes to the Financial Statements

5. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of FRWD Ventures ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

6. Accounting policies

The Annual Report of YanchWare 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 selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 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.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

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.

Notes to the Financial Statements

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 as well as office expenses, etc.

Gross profit

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.

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 FRWD Ventures ApS. 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.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

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.