



Tel.: +45 89 22 30 00
silkeborg@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Papirfabrikken 34
DK-8600 Silkeborg
CVR no. 20 22 26 70

IMPACTSPHERE APS
VEJLSØVEJ 51, 8600 SILKEBORG
ANNUAL REPORT
1 JULY 2021 - 31 AUGUST 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 31 March 2023**

Michael Pedersen

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Management's Statement.....	4
The Independent Auditor's Report.....	5-6
Management Commentary	
Management Commentary.....	7
Financial Statements 1 July 2021 - 31 August 2022	
Income Statement.....	8
Balance Sheet.....	9
Equity.....	10
Notes.....	11-12
Accounting Policies.....	13-14

COMPANY DETAILS

Company	ImpactSphere ApS Vejløvej 51 8600 Silkeborg Website: impactsphere.eu/ CVR No.: 42 51 32 61 Established: 1 July 2021 Municipality: Silkeborg Financial Year: 1 July 2021 - 31 August 2022
Board of Directors	Morten Wind Lindegaard, chairman Michael Pedersen
Executive Board	Michael Pedersen
Auditor	BDO Statsautoriseret revisionsaktieselskab Papirfabrikken 34 8600 Silkeborg
Bank	Vestjysk Bank Åboulevarden 67 8000 Aarhus C

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of ImpactSphere ApS for the financial year 1 July 2021 - 31 August 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 Company's assets, liabilities and financial position at 31 August 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 31 August 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Silkeborg, 30 March 2023

Executive Board

Michael Pedersen

Board of Directors

Morten Wind Lindegaard
Chairman

Michael Pedersen

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ImpactSphere ApS

Conclusion

We have performed an extended review of the Financial Statements of ImpactSphere ApS for the financial year 1 July 2021 - 31 August 2022, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 August 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 31 August 2022 in accordance with the Danish Financial Statements Act.

Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary

Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review 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 during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management Commentary provides the information required under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement in the Management Commentary.

Silkeborg, 30 March 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Anders Damgaard Lunde
State Authorised Public Accountant
MNE no. mne46586

MANAGEMENT COMMENTARY

Principal activities

The primary activity of Company ImpactSphere is to develop and market the ImpactSphere SaaS platform, ready for its first high availability and fully scalable deliveries, as well as any related business, consulting and marketing in collaboration with reselling Partners.

ImpactSphere is a very unique framework and tool, which to our knowledge and research, is the only known End-to-End Edge to ESG, business modelling and optimization tool, able to provide realtime GHG, PEF, OEF reporting and operations visibility.

ImpactSphere have engaged into a very close and fruitful collaboration with IBM Global and their consultancy and cloud services, co-developing our Go To Market strategy, that openly and respectfully is based on a three-way strategy:

- through consultative resellers - starting with IBM Global
- through cloud distributors and direct sales - starting with IBM Cloud
- direct sales mainly in Denmark and Germany.

ImpactSphere also have engaged partnership with Aalborg and Aarhus University, to share the ImpactSphere SaaS platform, as basis for research, development, teaching and publication of ImpactSphere models - in return to be shared and utilized by our clients.

ImpactSphere is following continuously development and devops, in collaboration with the technical provider, Applicate IT A/S in Denmark.

Development in activities and financial and economic position

Revenue for the year amounts to DKK 712.205, and profit after tax amounts to DKK 39.374. Revenue and profit are considered satisfactory and meet expectations for the year in the light of a high investment level.

ImpactSphere have successfully engaged first round seed venture capital for the initial prototyping, reasearch and development, and by 2023 will be seeking second round seed venture capital for accelerated development and 2023 market entry in union with IBM Global.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JULY - 31 AUGUST

	Note	2021/22 DKK
GROSS PROFIT		155.113
Staff costs.....	1	-258.629
OPERATING LOSS		-103.516
Other financial expenses.....		-215.721
LOSS BEFORE TAX		-319.237
Tax on profit/loss for the year.....	2	358.611
PROFIT FOR THE YEAR		39.374
PROPOSED DISTRIBUTION OF PROFIT		
Retained earnings.....		39.374
TOTAL		39.374

BALANCE SHEET AT 31 AUGUST

ASSETS	Note	2022 DKK
Development projects in progress.....		4.370.954
Intangible assets.....	3	4.370.954
Rent deposit.....		19.955
Financial non-current assets.....	4	19.955
NON-CURRENT ASSETS.....		4.390.909
Trade receivables.....		712.205
Other receivables.....		589.413
Corporation tax receivable.....		1.011.611
Prepayments.....		150.133
Receivables.....		2.463.362
Cash and cash equivalents.....		543.375
CURRENT ASSETS.....		3.006.737
ASSETS.....		7.397.646
EQUITY AND LIABILITIES		
Share capital.....		40.000
Reserve for development costs.....		3.409.344
Retained earnings.....		-3.369.970
EQUITY.....		79.374
Provision for deferred tax.....		653.000
PROVISIONS.....		653.000
Subordinate loan capital.....		1.000.000
Non-current liabilities.....	5	1.000.000
Bank debt.....		4.457.965
Trade payables.....		678.927
Payables to owners and management.....		500.000
Other liabilities.....		28.380
Current liabilities.....		5.665.272
LIABILITIES.....		6.665.272
EQUITY AND LIABILITIES.....		7.397.646
Contingencies etc.	6	
Charges and securities	7	

EQUITY

	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 July 2021	40.000	0	0	40.000
Proposed profit allocation.....			39.374	39.374
Other legal bindings				
Capitalized development costs.....		3.409.344	-3.409.344	0
Equity at 31 August 2022.....	40.000	3.409.344	-3.369.970	79.374

NOTES

	2021/22 DKK	Note
Staff costs		1
Average number of employees	1	
Wages and salaries.....	252.946	
Social security costs.....	852	
Other staff costs.....	4.831	
	258.629	
Tax on profit/loss for the year		2
Calculated tax on taxable income of the year.....	-1.011.611	
Adjustment of deferred tax.....	653.000	
	-358.611	
Intangible assets		3
	Development projects in progress	
Additions.....	4.370.954	
Cost at 31 August 2022.....	4.370.954	
Carrying amount at 31 August 2022.....	4.370.954	
<p>ImpactSphere is a very unique framework and tool, which to our knowledge and research, is the only known End-to-End Edge to ESG, business modelling and optimization tool, able to provide realtime GHG, PEF, OEF reporting and operations visibility.</p> <p>ImpactSphere have engaged into a very close and fruitfull collaboration with IBM Global and their consultancy and cloud services, co-developing our Go To Market strategy, that openly and respectfully is based on a three-way strategy:</p> <ul style="list-style-type: none"> - through consultative resellers - starting with IBM Global - through cloud distributors and direct sales - starting with IBM Cloud - direct sales mainly in Denmark and Germany. <p>ImpactSphere also have engaged partnership with Aalborg and Aarhus University, to share the ImpactSphere SaaS platform, as basis for research, development, teaching and publication of ImpactSphere models - in return to be shared and utilized by our clients.</p> <p>ImpactSphere is following continously development and devops, in collaboration with the technical provider, Applicate IT A/S in Denmark.</p>		
Financial non-current assets		4
	Rent deposit	
Additions.....	19.955	
Cost at 31 August 2022.....	19.955	
Carrying amount at 31 August 2022.....	19.955	

NOTES

				Note
Long-term liabilities				5
	31/8 2022 total liabilities	Repayment next year	Debt outstanding after 5 years	
Subordinate loan capital.....	1.000.000	0	1.000.000	
	1.000.000	0	1.000.000	

The sum of subordinated loan capital and equity amounts to a total of DKK 1.079.374.

Contingencies etc. **6**
Joint liabilities

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Fourgate Holding ApS, which serves as management Company for the joint taxation.

Charges and securities **7**

As security for bank debt of DKK ('000) 4.458, the company has provided a corporate pledge of nominal DKK ('000) 4.750. The corporate pledge includes the following assets, whose accounting value on the balance sheet date is:

Development projects in progress.....	4.370.954
Trade receivables.....	712.205

Bank deposits of DKK ('000) 500 have been provided as security for the total commitment with the bank.

ACCOUNTING POLICIES

The Annual Report of ImpactSphere ApS for 2021/22 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared with the following accounting principles.

INCOME STATEMENT

Net revenue

Net revenue from the sale of finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Intangible fixed assets

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5-10 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

ACCOUNTING POLICIES

Financial non-current assets

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible fixed assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.