

Payrex Europe ApS
(CVR-nr. 42 82 43 99)Kongensgade 31B, 1. th
5000 Odense C**ANNUAL REPORT 2023**

Approved at the company's annual general meeting on June 14, 2024

Chairman

Fabrice Knecht

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MANAGEMENT STATEMENT

Board of Directors and Management have reviewed and approved the annual report for the financial year 1 January to 31 December 2023 for Payrex Europe ApS.

The annual report has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the financial statements provide a true and fair view of the Company's assets, liabilities, and financial position as of 31 December 2023 and of the Company's results of operations for the financial year 1 January to 31 December 2023.

We believe that the Management's Report provides a true and fair representation of the matters addressed in the report.

The annual report is recommended for approval at the Annual General Meeting.

Odense, 14th June 2024

Executive Board:

Fabrice Knecht

Board of Directors:

Ivan Olivier Schmid
Chairman

Fabrice Knecht

THE INDEPENDENT AUDITOR'S REPORT ON REVIEW OF FINANCIAL STATEMENTS

To the shareholders of Payrex Europe ApS

Conclusion

We have performed an extended review of the annual report of Payrex Europe ApS for the financial year 1 January to 31 December 2023, which includes the accounting policies, income statement, balance sheet, statement of changes in equity and notes, including the accounting policies applied. The annual report is prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the annual report gives a true and fair view of the company's assets, liabilities, and financial position as of 31 December 2023 and of the results of company's operations for the financial year 1 January to 31 December 2023, in accordance with the Danish Financial Statements Act.

Basis for Conclusion

We have conducted our review in accordance with international auditing standards and the additional requirements applicable in Denmark. Our responsibility according to these standards and requirements is described in more detail in the section "Auditor's responsibility for the review of the financial statements" of the audit report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' international guidelines for auditors' ethical behavior (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code. It is our opinion that the audit evidence obtained is sufficient and appropriate as a basis for our conclusion.

Material Uncertainty Regarding Going Concern

We draw attention to the fact that there is significant uncertainty about the company's ability to continue operations. We refer to note 1 in the financial statements, which states that the company's continued operations depend on support from the Swiss parent company. Our conclusion is not modified in respect of this matter.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that present a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for the internal control deemed necessary to prepare the financial statements without 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 any relevant information regarding the going concern assumption; and preparing the financial statements on a going concern basis, unless management intends to liquidate the company, cease operations, or has no realistic alternative but to do so.

The Auditors Responsibility for the Review of the Financial Statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform actions to obtain limited assurance on our conclusion on the financial statements and additionally perform specifically required supplementary procedures to obtain further assurance on our conclusion.

An extended review includes procedures primarily consisting of inquiries with management and, where appropriate, others within the company, analytical procedures, and specifically required additional procedures, as well as evaluation of the obtained evidence.

The scope of procedures performed in an extended review is less than that of an audit, and therefore, we do not express an audit opinion on the financial statements.

Statement on Management Report

Management is responsible for the management report.

Our conclusion on the financial statements does not include the management report, and we do not express any form of assurance conclusion on the management report.

In connection with our extended review of the financial statements, it is our responsibility to read the management report and, in doing so, consider whether the management report is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to contain material misstatements.

Additionally, our responsibility is to consider whether the management report contains the required information in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the management report is consistent with the financial statements and has been prepared in accordance with the Danish Financial Statements Act requirements. We have not found any material misstatements in the management report.

Odense, June 14th 2024

SØBY REVISORER A/S

Godkendte Revisorer

CVR-nr. 19 12 57 42

Peder Grønnegaard Rasmussen

Certified Public Accountant

mne31463

COMPANY INFORMATION

Company	Payrexx Europe ApS Kongensgade 31B, 1. th 5000 Odense C Homepage: www.payrexx.dk CVR-nr.: 42 82 43 99 Established: 1. november 2021 Domicile: Odense Financial year: 1. januar – 31. december
Board of directors	Ivan Olivier Schmid Fabrice Knecht
Executive Board	Fabrice Knecht
Accountant	SØBY REVISORER A/S Godkendte Revisorer Landbrugsvej 4 5260 Odense S

MANAGEMENT REPORT

The Company's Principal Activities:

There have been no operational activities in the company during the current financial period.

Unusual Circumstances:

None.

Uncertainty in Recognition or Measurement:

None.

Development in Activities and Financial Conditions:

The company's performance and financial development did not meet the expectations outlined in the most recent annual report, and the results for the year are considered unsatisfactory.

The company has lost its entire share capital and is dependent on support from the parent company to continue its operations. The parent company has issued an unconditional support declaration, stating that it will provide the necessary financing for the company to continue its operations for at least 12 months from June 4, 2024.

The comparative figures in the annual report are based on a financial period of 14 months.

Events after the end of the financial year:

No events have occurred after the end of the financial year that could materially affect the company's financial position.

ACCOUNTING POLICIES

This is the financial statement for Payrex Europe ApS for the 2023 fiscal year. The financial statements have been prepared in accordance with the regulations of the Danish Financial Statements Act for class B companies with selected provisions from class C.

The applied accounting policies are unchanged from last year. However, last year's figures are based on a 14-month financial period.

INCOME STATEMENT

Revenue

Revenue from the sale of goods and services is recognized in the income statement when delivery and transfer of risk to the buyer have taken place before the end of the year, and if the revenue can be reliably measured and expected to be received.

Net revenue is measured at the fair value of the agreed consideration excluding VAT and duties. All forms of discounts granted are deducted from net revenue.

Cost of Goods Sold

Cost of goods sold includes the cost price of the goods that have been used to generate net revenue for the year.

Other External Expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operational leasing expenses, etc.

Financial Items

Financial income and expenses are recognized in the income statement with the amounts related to the financial year. Financial items include interest income and expenses, financial expenses for financial leasing, realized and unrealized gains and losses on securities, debt and foreign currency transactions, amortization of financial assets and liabilities, and additions and refunds under the provisional tax scheme, etc.

Tax on Profit for the Year

The current year's tax, which consists of the current year's tax and changes in deferred tax, is recognized in the income statement with the portion attributable to the year's profit and directly in equity with the portion attributable to equity transactions.

BALANCE SHEET

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. The value is reduced by write-downs to offset expected losses.

Equity

Proposed dividends for the financial year are recognized as a separate item of equity. Proposed dividends are recognized as a liability at the time of adoption at the general meeting.

ACCOUNTING POLICIES

Current and Deferred Tax Liabilities

Current tax liabilities and receivables for current tax are recognized in the balance sheet as calculated tax on the year's taxable income adjusted for tax on previous years' taxable incomes and for paid provisional tax.

Deferred tax is measured using the balance sheet approach, which involves calculating temporary differences between the tax and accounting values of assets and liabilities based on their planned use or settlement. Deferred tax is measured at its net realizable value.

The measurement of deferred tax is based on tax rules and rates that will be in effect when the deferred tax is expected to be realized as actual tax, according to the laws in effect at the balance sheet date. Any changes in deferred tax resulting from changes in tax rates are recognized in the income statement, except for items that are directly recognized in equity.

Deferred tax assets, including the tax value of carryforward tax losses, are measured at the amount expected to be realized, either through future earnings or offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realizable value.

Liabilities

Other liabilities, which include debt to suppliers, affiliated companies, and other debt, are measured at amortized cost, which usually corresponds to the nominal value.

INCOME STATEMENT
1 JANUAR - 31 DECEMBER

<u>Notes</u>	<u>2023 in DKK</u>	<u>2022 in 1.000 DKK</u> <i>(14 months)</i>
2. GROSS PROFIT	-20.165	-33
OPERATING LOSS	-20.165	-33
3. Financial cost	-600	0
LOSS BEFORE INCOME TAX	-20.765	-33
4. Tax for the year	-3.891	4
LOSS FOR THE YEAR	<u>-24.656</u>	<u>-29</u>
 PROPOSITION FOR THE DISTRIBUTION OF NET LOSS		
Retained loss	-24.656	-29
Proposed dividend for the year	<u>0</u>	<u>0</u>
Total distribution	<u>-24.656</u>	<u>-29</u>

BALANCE SHEET 31st DECEMBER 2023

ASSETS

<u>Notes</u>	<u>31/12 2023</u> <u>DKK</u>	<u>31/12 2022</u> <u>1.000 DKK</u>
CURRENT ASSETS:		
Receivables:		
Deferred tax asset	0	4
Other receivables:	<u>4.056</u>	<u>0</u>
	<u>4.056</u>	<u>4</u>
Cash in hand and other cash equivalents	<u>7.846</u>	<u>32</u>
TOTAL CURRENT ASSETS	<u>11.902</u>	<u>36</u>
TOTAL ASSETS	<u><u>11.902</u></u>	<u><u>36</u></u>

BALANCE SHEET 31st DECEMBER 2023

EQUITY AND LIABILITIES

<u>Notes</u>	31/12 2023	31/12 2022
	<u>DKK</u>	<u>1.000 DKK</u>
EQUITY		
Share capital	40.000	40
Retained earnings	-53.878	-29
Proposal for dividend for the financial year	<u>0</u>	<u>0</u>
TOTAL EQUITY	<u>-13.878</u>	<u>11</u>
SHORT-TERM LIABILITIES:		
Payables to group enterprises	15.600	15
Other liabilities	<u>10.180</u>	<u>10</u>
TOTAL LIABILITIES	<u>25.780</u>	<u>25</u>
TOTAL EQUITY AND LIABILITIES	<u><u>11.902</u></u>	<u><u>36</u></u>

1. **MATERIAL UNCERTAINTY REGARDING GOING CONCERN**
5. **CONTINGENCIES**
6. **CHARGES AND SECURITIES**
7. **RELATED PARTIES**
8. **INFORMATION ABOUT MATERIAL UNCERTAINTY, EXEPTIONAL AND SUBSEQUENT EVENTS**

STATEMENT OF CHANGES IN EQUITY

	2023 i hele kr.	2022 i 1.000 kr.
EQUITY		
Share capital:		
Opening balance	40.000	40
Closing balance	40.000	40
Retained earnings:		
Opening balance	-29.222	0
Retained earnings	-24.656	-29
Closing balance	-53.878	-29
Proposed dividend for the financial year:		
Opening balance	0	0
Retained earnings	0	0
Closing balance	0	0
TOTAL EQUITY	-13.878	11

FINANCIAL NOTES

Notes

1. **MATERIAL UNCERTAINTY REGARDING GOING CONCERN:**
The company has lost its entire share capital and is dependent on support from the parent company to continue its operations. The parent company has issued an unconditional statement of support, stating Payrexx AG will provide necessary financing for the company to continue its operations for at least 12 months forward from June 4, 2024.

2. **GROSS PROFIT:**
With reference to Section 32 of the Danish Financial Statements act, the item net revenue, consumption of goods, other external costs and other operating expenses have been summarized into an accounting item called gross profit.

	2023 in DKK	2022 in 1.000 DKK <i>(14 months)</i>
3. FINANSIELLE OMKOSTNINGER:		
Interest expenses to group enterprises	600	0
4. TAX FOR THE YEAR:		
Adjustment of deferred tax	3.891	-4

5. **CONTINGENCIES:**
There is a deferred tax asset of approx. T.DKK 8. The tax asset is recognized at rate 0.

6. **CHARGE AND SECURITY:**
None.

7. **RELATED PARTIES:**
Ownership:
The following shareholders are registered in the company's share register as owning a minimum of 5% of the votes or share capital:

Payrexx AG
Burgstrasse 20
3600 Thun
Schweiz

8. **INFORMATION ABOUT MATERIAL UNCERTAINTY, EXCEPTIONAL AND SUBSEQUENT EVENTS:**
None.