

REEWIRE INTERNATIONAL ApS

Bandholmvej 11, 4000 Roskilde
CVR no. 33 25 09 40

Annual report for 2023

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 13.08.24

Niels Peter Ellegaard
Dirigent



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The company

REEWIRE INTERNATIONAL ApS
Bandholmvej 11
4000 Roskilde
Registered office: Roskilde
CVR no.: 33 25 09 40
Financial year: 01.01 - 31.12

Executive Board

Niels Peter Ellegaard

Board of Directors

Niels Peter Ellegaard

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for REEWIRE INTERNATIONAL ApS.

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 as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Roskilde, August 13, 2024

Executive Board

Niels Peter Ellegaard

Board of Directors

Niels Peter Ellegaard

To the capital owner of REEWIRE INTERNATIONAL ApS**AUDITORS'S REPORT ON THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of REEWIRE INTERNATIONAL ApS for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including 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 company's financial position at 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 (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.

Material uncertainty regarding going concern

Without modifying our opinion, we draw attention to the information provided in note 1 in which Management describes the material uncertainty with respect to the Company's ability to continue as a going concern. The uncertainty relates to the Company's capital resources which depends on the management's ability to obtain deferral declarations from the company's creditors. Management assesses that it is possible to obtain deferral declarations from the company's creditors and therefore prepares the Financial Statements under a going concern assumption.

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, it is our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management's review 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 of the management's review.

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 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 judgment 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 company'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 company'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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Violation of VAT legislation

Contrary to the Danish Value Added Tax Act, VAT returns have not been submitted to Skattestyrelsen on time in the course of the year, and the management may therefore incur liability.

Violation of the Danish Financial Statements Act

The company's annual report was not submitted to the Danish Business Authority within the time limit stipulated in the Danish Financial Statements Act, and the management may therefore incur liability.

Soeborg, Copenhagen, August 13, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Kim Nielsen
State Authorized Public Accountant
MNE-no. mne29417

Primary activities

The company's main activity is to establish mobile payment platforms.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit of DKK 1,391,480 against DKK -445,640 for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK -3,536,051.

The company experienced significant difficulties in delivering ongoing projects and attracting new customers due to a lack of financial resources. Despite the challenges, the management team has primarily focused on the company's main client, Kola Financial Services, and the solution Kola Kash, which partially launched on Android in 2023. The solution is expected to generate recurring revenue for the company by the end of 2024 when it is fully launched on iOS. To stabilize the financial situation, the company reduced costs as much as possible in response to decreased activity and payments. The company's management has decided to either seek a sale of the company or raise sufficient new funds from investors in 2024 to boost activity and improve the company's revenue and profitability.

Significant uncertainty as regards going concern

Management has explained the uncertainty regarding the Company's ability to continue its activities in note 1 Going concern. We refer to note 1 for a detailed description of the uncertainty.

Income statement

Note	2023 DKK	2022 DKK
Gross loss	-141,555	-174,104
Financial income	1,838,174	0
Financial expenses	-305,139	-271,536
Profit/loss before tax	1,391,480	-445,640
Tax on profit or loss for the year	0	0
Profit/loss for the year	1,391,480	-445,640
Proposed appropriation account		
Retained earnings	1,391,480	-445,640
Total	1,391,480	-445,640

ASSETS		31.12.23	31.12.22
		DKK	DKK
Note			
	Trade receivables	0	37,986
	Other receivables	0	29,662
	Total receivables	0	67,648
	Cash	314	1,564
	Total current assets	314	69,212
	Total assets	314	69,212
EQUITY AND LIABILITIES			
	Share capital	121,220	121,220
	Retained earnings	-3,657,271	-5,048,751
	Total equity	-3,536,051	-4,927,531
3	Payables to group enterprises	0	1,807,750
3	Other payables	3,177,202	2,780,961
	Total long-term payables	3,177,202	4,588,711
	Payables to other credit institutions	0	170
	Trade payables	322,762	342,871
	Payables to associates	0	30,126
	Other payables	36,401	34,865
	Total short-term payables	359,163	408,032
	Total payables	3,536,365	4,996,743
	Total equity and liabilities	314	69,212

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.23 - 31.12.23			
Balance as at 01.01.23	121,220	-5,048,751	-4,927,531
Net profit/loss for the year	0	1,391,480	1,391,480
Balance as at 31.12.23	121,220	-3,657,271	-3,536,051

1. Significant uncertainty as regards going concern

Reewire has realized a profit of TDKK 1.391 in the financial year 2023 and the equity is negative with TDKK 3.657.

The primary lenders and creditors have agreed to defer repayment until the liquidity is sufficient. Furthermore, the primary owner of the Company has given a letter of support on a limited amount to guarantee payment of the smaller creditors of the Company.

Therefore the Financial Statements is prepared under a going concern assumption, the above matters also indicate that there is material uncertainty which may give rise to considerable doubt with respect to the Company's ability to continue as a going concern.

2. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

Special items:	Recognised in the income statement in:	2023 DKK	2022 DKK
Remission of debt	Financial income	1,837,876	0
Total		1,837,876	0

3. Long-term payables

Figures in DKK	Total payables at 31.12.23	Total payables at 31.12.22
Payables to group enterprises	0	1,807,750
Other payables	3,177,202	2,780,961
Total	3,177,202	4,588,711

4. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 110 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement.

4. Accounting policies - continued -**INCOME STATEMENT****Gross loss**

Gross loss comprises other external expenses.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET**Equity investments in group enterprises**

Equity investments in subsidiaries are measured in the balance sheet at cost less any impairment losses. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

4. Accounting policies - continued -

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Cash

Cash includes deposits in bank account.

4. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.