adesso Denmark ApS

Njalsgade 21G, 3.

2300 København S

CVR No. 39885344

Annual Report 2022

4. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 6 July 2023

Nils Johan Tancred Strömhage
Chairman

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of adesso Denmark ApS for the financial year 1 January 2022 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 6 July 2023

Executive Board

Nils Johan Tancred Strömhage
Manager

Independent Auditors' Report

To the shareholders of adesso Denmark ApS

Opinion
We have audited the Financial Statements of Adesso Denmark ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, notes and a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Except for the effects of the matters described in the “basis for qualified opinion” paragraph it is In our opinion, the Financial Statements expect for the give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis of Qualified Opinion
The development projects included in the company´s opening balance for 2022 does not meet the criteria for capitalizing the costs according to the Danish Financial Statement Act. The company has not been able to present us with proper documentation regarding the costs included and the expected cash flow arisen from each individual project. The Company has recorded costs amounting to 1,313,621 DKK. In our opinion the costs should have been recorded in the profit and loss accounts.

In our opinion the Company should not have capitalized the development costs in 2021 recognized with 1,313,621 DKK in the assets and the costs in the profit and loss would consequently have been increased by 1,313,621 DKK. The effect on the result and equity would as a result be reduced with respectively 1,313,621 DKK and 1,313,621 DKK.

The Company´s development projects for 2022 are recorded in the assets with 1,049,621 DKK after depreciation of 264,000 DKK. In our opinion the Company does not meet the criteria for capitalizing the development projects. In our opinion the costs should have been recorded in the profit and loss accounts.

In our opinion the Company should not have capitalized the development costs in 2022 that is recognized in the assets with 1,049,621 DKK hence there should not have been any depreciation recorded with 264,000 DKK. The effect on the result and equity would as a result be reduced with respectively 1,049,621 DKK and 1,049,621 DKK.

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 (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. In our opinion, the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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.

Independent Auditors' Report

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 skepticism 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.

Statement on Management Commentary
Management is responsible for Management Commentary.

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

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Independent Auditors' Report

Based on the work we have performed, we conclude that 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 of Management Commentary.

Report on other legal and regulatory requirements

Violation of Danish VAT legislation

Contrary to the Danish VAT legislation, the Company has reported incorrect VAT to the Tax Authorities, and management may be held liable in this respect.

Violation of Danish tax legislation

Contrary to the Danish tax legislation, the company has reported incorrect tax regarding employee salaries. Management may be held liable in this respect.

Violation of Danish bookkeeping act

The Company has not complied with the provisions of the Danish Bookkeeping Act, and the Company's Management may be held liable in this respect.

København, 6 July 2023

BDO Statsautoriseret Revisionsaktieselskab
CVR-no. 20222670

Iben Larsen
State Authorised Public Accountant
mne34474

Company details

Company	adesso Denmark ApS Njalsgade 21G, 3. 2300 København S
CVR No.	39885344
Date of formation	19 September 2018
Registered office	København
Financial year	1 January 2022 - 31 December 2022
Executive Board	Nils Johan Tancred Strömhage
Auditors	BDO Statsautoriseret Revisionsaktieselskab Kystvejen 29 8000 Aarhus C CVR-no.: 20222670

Management's Review

The Company's principal activities
The company's purpose is to conduct business with the development, service and sale of technology-based products and services as well as related activities.

Development in the activities and the financial situation of the Company
The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -3.934.640 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 3.503.290 and an equity of DKK -3.770.833.

The company's management has chosen to present the financial statements on the assumption of continued operations. The management assesses that the company through sound and profitable operations is expected to generate profits in the coming years.

The company has received a statement of support from the company's legal owner stating that the necessary liquidity for the coming year has been secured.

Material changes in the Company's operations and financial matters
No events of significant importance to the company's financial position have occurred after the end of the financial year.

Accounting Policies

Reporting Class
The annual report of adesso Denmark ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Reporting currency
The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss
The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue
Net revenue from sale of merchandise and 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.

Where services are sold, revenue is generally recognised on the basis of a measurable degree of completion,

Accounting Policies

however, straight-line recognition is applied to services which are delivered over time in a regular pattern. If the degree of completion is not measurable or the sales value or total costs of completing the services are uncertain, revenue is recognised by an amount not exceeding the amount, that the enterprise believes it can claim and is expected to be received for the services delivered at the Balance Sheet date.

Net revenue is recognised ex VAT and with deduction of the charges and discounts, that may be related to the sale.

Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when, the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses, regarding the contract and the degree of completion at the Balance Sheet date, can be reliably assessed, and it is likely, that the financial benefits will flow to the company.

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to related costs to the extent that it is likely that they will be recovered.

Production costs
Production costs include costs incurred to generate the revenue for the year, including costs for raw materials, consumables, production wages and indirect production costs, such as maintenance, amortization and impairment, as well as operating activities, administration and management of plant and machinery.

Research and development costs which do not meet the criteria for capitalization and amortization of capitalized development costs are also recognised under production costs. Amortization of goodwill is also recognised to the extent that the goodwill relates to the production activity. Furthermore, a provision for loss on the projects is also recognised.

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

Staff costs
Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Completed development projects	5 years	0%
Other fixtures and fittings, tools and equipment	3-5 years	0%

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Financial income and expenses
Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Accounting Policies

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Intangible assets
Development projects that are clearly defined and identifiable, and where the degree of technical utilization, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the income statement as they incur.

Development costs comprise costs, including wages, salaries and amortization, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalized development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortization and the recoverable amount.

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Deposits
Deposits are measured at cost.

Accounting Policies

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Supply of services in progress
Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realizable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

Advertising from promotional costs and costs of negotiating contracts are expensed incurred.

Prepayments, assets
Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities
Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables
Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2022 kr.	2021 kr.
Gross profit		**584.139**	**2.330.749**
Staff costs	2	-3.888.569	-1.297.500
Depreciation, amortisation expense and impairment		-318.464	-18.155
Profit from ordinary operating activities		**-3.622.894**	**1.015.094**
Finance expenses	3	-311.746	-26.210
Profit from ordinary activities before tax		**-3.934.640**	**988.884**
Tax expense on ordinary activities	4	0	-43.379
Profit		**-3.934.640**	**945.505**
Proposed distribution of results			
Retained earnings		-3.934.640	945.505
Distribution of profit		**-3.934.640**	**945.505**

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Assets			
Completed development projects	5	1.049.621	1.313.621
Intangible assets		**1.049.621**	**1.313.621**
Fixtures, fittings, tools and equipment	6	0	54.464
Property, plant and equipment		**0**	**54.464**
Deposits, investments		336.587	222.403
Investments		**336.587**	**222.403**
Fixed assets		**1.386.208**	**1.590.488**
Short-term trade receivables		1.679.310	1.223.575
Contract work in progress		96.400	215.000
Other short-term receivables		0	41.137
Prepayments		65.990	33.620
Receivables		**1.841.700**	**1.513.332**
Cash and cash equivalents		**275.382**	**584.314**
Current assets		**2.117.082**	**2.097.646**
Assets		**3.503.290**	**3.688.134**

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		-3.820.833	113.807
Equity		**-3.770.833**	**163.807**
Payables to group enterprises		6.145.747	3.208.720
Other payables		1.128.376	315.607
Short-term liabilities other than provisions		**7.274.123**	**3.524.327**
Liabilities other than provisions within the business		**7.274.123**	**3.524.327**
Liabilities and equity		**3.503.290**	**3.688.134**
Prerequisites for continued operation	1		
Contingent liabilities	7		
Collaterals and assets pledges as security	8		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	50.000	113.807	163.807
Profit (loss)		-3.934.640	-3.934.640
Equity 31 December 2022	**50.000**	**-3.820.833**	**-3.770.833**

The share capital has remained unchanged for the last 5 years.

Notes

1. Prerequisites for continued operation

The company has per 31 December 2022 lost over 50% of the contributed capital. The company's management is aware that the provisions of Section 119 of the Danish Companies Act on capital losses must be observed. The management expects to generate earnings that can re-establish the company's equity in the near future, and the accounts have therefore been prepared under the assumption of going concern.

The company's management has chosen to present the financial statements on the assumption of continued operations. The management assesses that the company through sound and profitable operations is expected to generate profits in the coming years.

The company has received a statement of support from the company's legal owner stating that the necessary liquidity for the coming year has been secured.

2. Employee benefits expense

	2022	2021
Wages and salaries	3.366.280	1.782.046
Post-employement benefit expense	280.459	188.640
Social security contributions	37.228	59.385
Other employee expense	204.602	-732.571
	3.888.569	**1.297.500**
Average number of employees	6	6

3. Finance expenses

	2022	2021
Finance expenses arising from group enterprises	308.285	0
Other finance expenses	3.461	26.210
	311.746	**26.210**

4. Tax expense

	2022	2021
Selskabsskat, aktuel	0	43.379
	0	**43.379**

5. Completed development projects

	2022	2021
Cost at the beginning of the year	1.313.621	1.313.621
Cost at the end of the year	**1.313.621**	**1.313.621**
Amortisation for the year	-264.000	0
Impairment losses and amortisation at the end of the year	**-264.000**	**0**
Carrying amount at the end of the year	**1.049.621**	**1.313.621**

Notes

6. Fixtures, fittings, tools and equipment

	2022	2021
Cost at the beginning of the year	80.319	30.799
Addition during the year, incl. improvements	0	49.519
Cost at the end of the year	**80.319**	**80.318**
Revaluations at the beginning of the year	-25.855	-7.699
Revaluations at the end of the year	**-25.855**	**-7.699**
Amortisation for the year	-54.464	-18.155
Impairment losses and amortisation at the end of the year	**-54.464**	**-18.155**
Carrying amount at the end of the year	**0**	**54.464**

7. Contingent liabilities

Lease commitments have been entered into with a notice period of 6 months. The rental obligation amounts to approx. DKK 196.800.

The Company has not undertaken liabilities outside of the ordinary course of its business.

8. Collaterals and securities

No securities or mortgages exist at the balance sheet date.