STEINWURF APS

NIELS JERNES VEJ 10, 33576641 9220 AALBORG Ø

ANNUAL REPORT

1 JULY 2023 - 30 JUNE 2024

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 12 December 2024

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Morten Videbæk Pedersen

CVR NO. 33 57 66 41

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COMPANY DETAILS

Company	Steinwurf ApS Niels Jernes Vej 10 33576641 9220 Aalborg Ø
	CVR No.: 33 57 66 41 Established: 11 March 2011 Financial Year: 1 July 2023 - 30 June 2024
Board of Directors	Giustino de Sanctis, chairman Salvatore Metrangolo Morten Videbæk Pedersen
Executive Board	Morten Videbæk Pedersen

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Steinwurf ApS for the financial year 1 July 2023 - 30 June 2024.

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 30 June 2024 and of the results of the Company's operations for the financial year 1 July 2023 - 30 June 2024.

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

The Board of Directors and Executive Board remain of the opinion that the conditions for opting out of audit have been fulfilled.

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

Aalborg, 12 December 2024

Executive Board

Morten Videbæk Pedersen

Board of Directors

Giustino de Sanctis Chairman	Salvatore Metrangolo	Morten Videbæk Pedersen

MANAGEMENT COMMENTARY

Principal activities
The primary activity of the company is to develop and sell software for optimization of networks used in computer systems, e.g. mobile devices, network equipment, personal computers and data servers.

Development in activities and financial and economic position
The result of the company's operation in the previous period and the company's economic situation at the end of the accounting year is presented in the following income statement and balance sheet. The used accounting principles is described under the section accounting pracsis.

The income statement shows a deficit of -2,624 tdkk after taxes, the equity is 10.883 tdkk as per the 30th of June 2024.

Included development costs comprise to 9,579 tdkk. The management expect that the future income from the conducted development to be higher than the included development costs.

Also based on recent business conversations and positive feedbacks received from the reference market, Management expects the company to continue to improve the level of revenues and generate positive results. The income statement is therefore declared with a continued operation in mind.

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 - 30 JUNE

	Note	2023/24 DKK	2022/23 DKK
GROSS PROFIT		**3,487,546**	**-860,025**
Staff costs	1	-4,747,413	-4,170,528
Depreciation, amortisation and impairment		-2,221,404	-1,864,587
OPERATING LOSS		**-3,481,271**	**-6,895,140**
Other financial income		16	65
Other financial expenses		24,693	319,424
LOSS BEFORE TAX		**-3,456,562**	**-6,575,651**
Tax on profit/loss for the year	2	832,252	1,512,698
LOSS FOR THE YEAR		**-2,624,310**	**-5,062,953**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		-2,624,310	-5,062,953
TOTAL		**-2,624,310**	**-5,062,953**

BALANCE SHEET AT 30 JUNE

ASSETS	**Note**	**2024** DKK	**2023** DKK
Development projects completed		5,513,718	4,003,460
Development projects in progress and prepayments		4,064,785	3,725,901
Intangible assets	3	**9,578,503**	**7,729,361**
Other plants, machinery, tools and equipment		0	5,761
Property, plant and equipment	4	**0**	**5,761**
Other securities		549	549
Rent deposit and other receivables		82,210	77,120
Financial non-current assets	5	**82,759**	**77,669**
NON-CURRENT ASSETS		**9,661,262**	**7,812,791**
Trade receivables		0	996,494
Deferred tax assets		1,096,000	1,158,000
Other receivables		86,044	126,150
Receivables corporation tax	6	1,713,950	1,372,517
Receivables		**2,895,994**	**3,653,161**
Cash and cash equivalents		**774,971**	**693,091**
CURRENT ASSETS		**3,670,965**	**4,346,252**
ASSETS		**13,332,227**	**12,159,043**

BALANCE SHEET AT 30 JUNE

EQUITY AND LIABILITIES	**Note**	**2024** DKK	**2023** DKK
Share capital		31,082,223	26,957,640
Transferred to reserve for development costs		7,435,633	5,991,105
Retained profit		-27,634,385	-23,565,546
EQUITY		**10,883,471**	**9,383,199**
Debt instruments		446,873	446,873
Non-current liabilities	7	**446,873**	**446,873**
Trade payables		146,102	288,288
Other liabilities		354,752	446,354
Accruals and deferred income		1,501,029	1,594,329
Current liabilities		**2,001,883**	**2,328,971**
LIABILITIES		**2,448,756**	**2,775,844**
EQUITY AND LIABILITIES		**13,332,227**	**12,159,043**
Contingencies etc.	8		
Information on uncertainty with respect to recognition and measurement	9		

EQUITY

	Share capital	Transfer to reserve for development costs	Retained profit	Total
Equity at 1 July 2023	26,957,640	5,991,105	-23,565,547	9,383,198
Proposed profit allocation			-2,624,310	-2,624,310
Transactions with owners				
Capital increase	4,124,583			4,124,583
Other legal bindings				
Capitalized development costs		1,444,528	-1,444,528	0
Equity at 30 June 2024	**31,082,223**	**7,435,633**	**-27,634,385**	**10,883,471**

NOTES

			Note
Staff costs			**1**
Average number of employees	6	4	
Wages and salaries	4,613,196	4,023,819	
Pensions	14,975	14,706	
Social security costs	30,802	29,001	
Other staff costs	88,440	103,002	
	4,747,413	**4,170,528**	

Tax on profit/loss for the year			**2**
Calculated tax on taxable income of the year	-894,252	-819,698	
Adjustment of deferred tax	62,000	-693,000	
	-832,252	**-1,512,698**	

Intangible assets	**Development projects completed**	**Development projects in progress and prepayments**	**3**
Cost at 1 July 2023	18,074,945	3,725,901	
Transfer	3,725,901	-3,725,901	
Additions	0	4,064,785	
Cost at 30 June 2024	**21,800,846**	**4,064,785**	
Amortisation at 1 July 2023	14,071,485	0	
Amortisation for the year	2,215,643	0	
Amortisation at 30 June 2024	**16,287,128**	**0**	
Carrying amount at 30 June 2024	**5,513,718**	**4,064,785**	

Development projects refer to the development of Steinwurf’s proprietary RLNC based software solution which is promoted in the market through a number of products such as Ramp and Raft, still being actively developed. Market studies show that there is a wide range of applications for this type of products, and that there are very few competitors in the market. The management have high expectations to increase the level of revenues through the licensing of these RLNC based products, therefore there is no indication for write down on the accounted values.

NOTES

Note

Property, plant and equipment **4**

	Other plants, machinery, tools and equipment
Cost at 1 July 2023	237,418
Cost at 30 June 2024	**237,418**
Depreciation and impairment losses at 1 July 2023	231,657
Depreciation for the year	5,761
Depreciation and impairment losses at 30 June 2024	**237,418**
Carrying amount at 30 June 2024	**0**

Financial non-current assets **5**

	Other securities	Rent deposit and other receivables
Cost at 1 July 2023	549	77,120
Additions	0	5,090
Cost at 30 June 2024	**549**	**82,210**
Carrying amount at 30 June 2024	**549**	**82,210**

Receivables corporation tax **6**

DKK (ODD) 894 of reveivables corporation tax is due for payment after 12 months.

Long-term liabilities **7**

	30/6 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	30/6 2023 total liabilities
Debt instruments	446,873	0	0	446,873
	446,873	**0**	**0**	**446,873**

Contingencies etc. **8**

Information on uncertainty with respect to recognition and measurement **9**

Due to the company specific activity as a development company there is a natural uncertainty related to the measurement of the company's development. The carrying amount of the development project is based on the management's positive expectations to the future.

ACCOUNTING POLICIES

The Annual Report of Steinwurf ApS for 2023/24 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 consistently with the accounting principles applied last year.

INCOME STATEMENT

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

Other operating income
Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

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 investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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 portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets
Development costs 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.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

ACCOUNTING POLICIES

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 years.

An amount corresponding to the recognised development costs is tied up on a special reserve under equity, called "Reserve for development costs". The reserve is reduced by depreciation and reduction of deferred tax

Intangible fixed assets are generally written down to the lower of recoverable value and carrying amount.

Tangible fixed assets
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment...	2 years	0 %

Profit or loss from sale of tangible fixed assets is stated as the difference between sales price less cost of sales and the carrying amount at the time of sale. Profit or loss is recognised in the Income Statement.

Financial non-current assets
Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis 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 carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

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

ACCOUNTING POLICIES

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.

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 carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off 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 borrowing 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 term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.