Sedna EMEA ApS

Lottenborgvej 26, 2800 Kgs. Lyngby

Company reg. no. 40 66 45 48

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 30 September 2025.

Sally Ida Krogshave Kristiansen
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Sedna EMEA ApS for the financial year 1 January - 31 December 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Kgs. Lyngby, 30 September 2025

Executive board

Jacob Koch Blicher

William Dobie

Independent auditor's report

To the Shareholders of Sedna EMEA ApS

Auditor's report on the Financial Statements opinion

Qualified Opinion

We have audited the financial statements of Sedna EMEA ApS for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, except for the possible effect of the matter described in the "Basis for Qualified Opinion" section of our report, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Qualified Opinion

Defered revenue

Due to a significant uncertainty in the valuation and accuracy of the defered revenue and unbilled receiveable we cannot obtian sufficient and appropriate audit evidence to provide a basis for an audit opinion on both starting and ending amounts in 2024.

The deferred revenue in 2024 is included in the prepayments from customers with the amount of 1.520 tDKK.

In 2023 the deferred revenue is included in the prepayments from customers with the amount of 2.716 tDKK. The unbilled receiveable is included in the trade receiveable with an amount of 685 tDKK. These amounts may have an effect in 2024 income statement as part of the correction during 2024.

The uncertainty is isolated to these two items in the company's balancesheet, and does not effect the rest of the annual report.

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.

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 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’s Review
Management is responsible for Management’s Review.

Our opinion on the financial statements does not cover Management’s Review, 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’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 Management’s Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management’s Review.

Non-compliance with the Danish VAT Act

The company has failed to report VAT for the 4th quarter of 2024. As a result the management may be held liable for failing to report VAT before the reporting deadline.

Non-compliance with the Danish Financial Reporting Act

The company has failed to file the annual report before the deadline. As a result the management may be held liable for failing to file the annual report before the reporting deadline.

Non-compliance with the Danish Bookkeeping Act

In our opinion, the company has not complied with the requirements of the Bookkeeping Act regarding the automation of accounting records, whereby the management can be held liable.

Copenhagen V, 30 September 2025

RSM Denmark
Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Peter Arent Benkjer
State Authorised Public Accountant
mne35785

Company information

The company	Sedna EMEA ApS Lottenborgvej 26 2800 Kgs. Lyngby	
	Company reg. no.	40 66 45 48
	Financial year:	1 January - 31 December 5th financial year
Executive board	Jacob Koch Blicher William Dobie	
Auditors	RSM Denmark Statsautoriseret Revisionspartnerselskab Ved Vesterport 6, 5. sal 1612 København V	
Parent company	Nordic IT, LLC, 425 Soledad St. Suite 250, San Antonio, TX 78205, USA	

Description of key activities of the company

The objectives of the company are developing system software and software applications, and to operate with agency, commercial- and manufacturing businesses.

Uncertainties about recognition or measurement

Management is aware that the company has lost the equity and is covered by section 119 of the Danish Companies Act.

The management is working on adjusting the costs to the current level of activity and it is the management's expectation that operations will be profitable going forward.

The company has almost exclusively intercompany debt as of 31 December 2024. The company's continued operations are dependent on financial support from the parent company, which has submitted a statement of support for the next 12 months after approval of the annual report. The intercompany debt does not fall due for payment in 2025. On that basis, the management assesses that the company fulfills the condition of going concern.

Significant changes in the company's activities and financial matters

There have been no significant changes in activities and financial matters.

The gross profit for the year totals DKK 9.297.163against DKK 12.988.574 last year. Profit or loss from ordinary activities after tax totals DKK -2.784.485 against DKK 710.414 last year.

Events occurring after the end of the financial year

After end of the financial year, the company has failed to file the annual report in time as has been forced into dissolution by the Danish Business Authorities. The management has on a extraordinary general assembly agreed to reestablish the company.

Otherwise, no events have occurred that will significantly affect the company´s financial position.

Accounting policies

The annual report for Sedna EMEA ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Material errors in previous years

After the audit of the 2023 annual report, the company have made corrections of miststatements to the intangibles assets.

The accoumulated effects of the correction estimates pr. 31. december 2023 is:

- Net profit or loss -888.253DKK.
- Intangible assets 888.253 DKK.
- Equity -888.253 DKK.

The Comparative figures have been changed accordingly to the change in the accounting policies.

Recognition and measurement in general

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

Assets are recognised in the balance sheet when it is probable that future economic benefits will low 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Income from the sale of rendering services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Costs of raw materials and consumables include the raw materials and consumables used in generating the year’s revenue.

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2024	2023
	Gross profit	**9.297.163**	**12.988.574**
3	Staff costs	-9.660.062	-8.269.496
	Depreciation, amortisation, and impairment	-2.434.135	-3.451.673
	Operating profit	**-2.797.034**	**1.267.405**
4	Financial income	377.234	90.867
5	Other financial costs	-364.685	-647.858
	Pre-tax net profit or loss	**-2.784.485**	**710.414**
	Net profit or loss for the year	**-2.784.485**	**710.414**
	Proposed distribution of net profit:		
	Transferred to retained earnings	0	710.414
	Allocated from retained earnings	-2.784.485	0
	Total allocations and transfers	**-2.784.485**	**710.414**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2024	2023
	Non-current assets		
6	Completed development projects	0	1.285.148
7	Acquired patents	748.890	1.066.811
8	Goodwill	3.753.092	4.567.945
	Total intangible assets	4.501.982	6.919.904
9	Other fixtures and fittings, tools and equipment	26.175	0
	Total property, plant, and equipment	26.175	0
10	Deposits	197.100	194.004
	Total investments	197.100	194.004
	Total non-current assets	**4.725.257**	**7.113.908**
	Current assets		
	Trade receivables	1.864.894	2.864.530
11	Receivables from subsidiaries	0	4.523.523
	Deferred tax assets	0	80.007
	Other receivables	175.278	31.169
	Prepayments and accrued income	328.535	223.930
	Total receivables	2.368.707	7.723.159
	Cash on hand and demand deposits	756.603	1.912.470
	Total current assets	**3.125.310**	**9.635.629**
	Total assets	**7.850.567**	**16.749.537**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2024	2023
	Equity		
	Contributed capital	40.000	40.000
	Retained earnings	-9.107.620	-6.323.135
	Total equity	**-9.067.620**	**-6.283.135**
	Liabilities other than provisions		
12	Payables to group enterprises	14.067.445	15.467.662
	Total long term liabilities other than provisions	14.067.445	15.467.662
	Bank loans	83.652	245.982
	Prepayments received from customers	1.531.830	2.715.820
	Trade payables	864.095	819.376
	Payables to group enterprises	0	653.504
	Other payables	371.165	3.130.328
	Total short term liabilities other than provisions	2.850.742	7.565.010
	Total liabilities other than provisions	**16.918.187**	**23.032.672**
	Total equity and liabilities	**7.850.567**	**16.749.537**

1 Uncertainties concerning the enterprise's ability to continue as a going concern

2 Subsequent events

13 Contingencies

14 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	40.000	-7.033.549	-6.993.549
Retained earnings for the year	0	710.414	710.414
Equity 1 January 2024	40.000	-6.323.135	-6.283.135
Retained earnings for the year	0	-2.784.485	-2.784.485
	40.000	**-9.107.620**	**-9.067.620**

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

Management is aware that the company has lost the equity and is covered by section 119 of the Danish Companies Act.

The management is working on adjusting the costs to the current level of activity and it is the management's expectation that operations will be profitable going forward.

The company has almost exclusively intercompany debt as of 31 December 2024. The company's continued operations are dependent on financial support from the parent company, which has submitted a statement of support for the next 12 months after approval of the annual report. The intercompany debt does not fall due for payment in 2025. On that basis, the management assesses that the company fulfills the condition of going concern.

2. Subsequent events

After end of the financial year, the company has failed to file the annual report in time as has been forced into dissolution by the Danish Business Authorities. The management has on a extraordinary general assembly agreed to reestablish the company.

	2024	2023
3. Staff costs		
Salaries and wages	9.261.625	7.988.140
Pension costs	398.437	272.268
Other costs for social security	0	9.088
	9.660.062	**8.269.496**
Average number of employees	14	10

	2024	2023
4. Financial income		
Interest	30.810	0
Other financial income	0	90.867
Currency gain	4.996	0
Unrealized currency gain	341.428	0
	377.234	**90.867**

Notes

All amounts in DKK.

		2024	2023
5.	**Other financial costs**		
	Financial costs, group enterprises	364.685	349.593
	Other financial costs	0	298.265
		364.685	**647.858**

		31/12 2024	31/12 2023
6.	**Completed development projects**		
	Cost 1 January 2024	10.866.999	10.866.999
	Cost 31 December 2024	**10.866.999**	**10.866.999**
	Amortisation and writedown 1 January 2024	-9.581.851	-9.581.851
	Correction of misstatement last year	0	-2.173.399
	Amortisation and depreciation for the year	-1.285.148	2.173.399
	Amortisation and writedown 31 December 2024	**-10.866.999**	**-9.581.851**
	Carrying amount, 31 December 2024	**0**	**1.285.148**
7.	**Acquired patents**		
	Cost 1 January 2024	3.096.184	3.096.184
	Cost 31 December 2024	**3.096.184**	**3.096.184**
	Amortisation and writedown 1 January 2024	-2.029.373	-2.029.424
	Correction of misstatement last year	0	463.467
	Amortisation and depreciation for the year	-317.921	-463.416
	Amortisation and writedown 31 December 2024	**-2.347.294**	**-2.029.373**
	Carrying amount, 31 December 2024	**748.890**	**1.066.811**

Notes

All amounts in DKK.

		31/12 2024	31/12 2023
8.	**Goodwill**		
	Cost 1 January 2024	12.701.606	12.701.606
	Cost 31 December 2024	**12.701.606**	**12.701.606**
	Amortisation and writedown 1 January 2024	-8.133.659	-4.681.937
	Correction due to changes in last years values	0	-2.636.866
	Amortisation and depreciation for the year	-814.855	-814.858
	Amortisation and writedown 31 December 2024	**-8.948.514**	**-8.133.661**
	Carrying amount, 31 December 2024	**3.753.092**	**4.567.945**
9.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2024	400.000	400.000
	Additions during the year	42.387	0
	Cost 31 December 2024	**442.387**	**400.000**
	Depreciation and writedown 1 January 2024	-400.000	-400.000
	Amortisation and depreciation for the year	-16.212	0
	Depreciation and writedown 31 December 2024	**-416.212**	**-400.000**
	Carrying amount, 31 December 2024	**26.175**	**0**
10.	**Deposits**		
	Cost 1 January 2024	194.004	194.004
	Additions during the year	3.096	0
	Cost 31 December 2024	**197.100**	**194.004**
	Carrying amount, 31 December 2024	**197.100**	**194.004**
11.	**Receivables from subsidiaries**		
	Intercompany receivables	0	4.523.523
		0	**4.523.523**

Notes

All amounts in DKK.

		31/12 2024	31/12 2023
12.	**Payables to group enterprises**		
	Nordic IT LLC	14.067.445	15.467.662
		14.067.445	**15.467.662**

13. Contingencies

Contingent liabilities

The company has a rent contract with a total obligation of TDKK 202. The contract can be terminated with a 6 months notice.

14. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of Sedna Communications Ltd., United Kingdom