FLEXFONE A/S

Danmarksvej 26, 8660 Skanderborg

CVR no. 34 04 29 85

Annual report for the period

1 January to 31 December 2024

Adopted at the annual general meeting on 18 June 2025

Lars Ahlburg Aagaard
Chairman

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Statement by management on the annual report

The board of directors and executive board have today discussed and approved the annual report of FLEXFONE A/S for the financial year 1 January - 31 December 2024.

The annual report is 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 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Skanderborg, 18 June 2025

Executive board

Lars Ahlburg Aagaard

Supervisory board

Joris Van Rymenant chairman	Christophe Costers	Lars Ahlburg Aagaard

Independent auditor's report

To the shareholders of FLEXFONE A/S

Opinion

We have audited the financial statements of Flexfone A/S 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. The financial statements are prepared under 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 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 Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 the 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 auditor's 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 judgement 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.

Independent auditor's report

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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 18 June 2025

EY Godkendt Revisionspartnerselskab
CVR no. 34 04 29 85

Allan Nørgaard
state authorised public accountant
mne35501

Jesper Dalsgaard
state authorised public accountant
mne50618

Company details

The company	FLEXFONE A/S Danmarksvej 26 8660 Skanderborg	
	CVR no.:	34 04 29 85
	Reporting period: Incorporated:	1 January - 31 December 2024 31 October 2011
	Domicile:	Skanderborg
Supervisory board	Joris Van Rymenant, chairman Christophe Costers Lars Ahlburg Aagaard	
Executive board	Lars Ahlburg Aagaard	
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg	

Management's review

Business review

The main activity of the company is to supply and deliver hosted telephone solutions through distributors. The telephone solutions are based on IP-telephony, combined with the traditional telephonesystems functioning with mobilephone technology and gives great flexibility.

Financial review

The company's income statement for the year ended 31 December 2024 shows a loss of DKK 2.484.179, and the balance sheet at 31 December 2024 shows negative equity of DKK 1.643.594.

The board of directors and executive board considers the loss of the year as expected.

The company has lost its share capital. The supervisory board expects to reestablish the share capital through its future operations.

Events after the balance sheet date

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2024	2023
		DKK	DKK
Gross profit		**27.306.601**	**36.977.168**
Staff costs	1	-29.728.004	-27.412.183
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-377.879	-545.849
Profit/loss before net financials		**-2.799.282**	**9.019.136**
Financial income	2	288	1.026
Financial costs	3	-170.349	-3.874
Profit/loss before tax		**-2.969.343**	**9.016.288**
Tax on profit/loss for the year	4	485.164	-1.979.034
Profit/loss for the year		**-2.484.179**	**7.037.254**

Distribution of profit

Recommended appropriation of profit/loss

Extraordinary dividend for the year	0	20.060.000
Transferred to reserve for development expenditure	-130.876	-226.084
Retained earnings	-2.353.303	-12.796.662
	-2.484.179	**7.037.254**

Balance sheet 31 December

	Note	2024	2023
		DKK	DKK
Assets			
Completed development projects		53.697	221.487
Acquired patents		240.839	274.439
Intangible assets	5	**294.536**	**495.926**
Other fixtures and fittings, tools and equipment	6	184.662	324.401
Tangible assets		**184.662**	**324.401**
Total non-current assets		**479.198**	**820.327**
Goods for resale and consumables		95.800	200.116
Inventory		**95.800**	**200.116**
Trade receivables		6.274.351	6.303.406
Other receivables		3.889.092	3.550.196
Prepayments	7	4.092.210	2.340.839
Receivables		**14.255.653**	**12.194.441**
Cash at bank and in hand		**3.013.400**	**22.386.365**
Total current assets		**17.364.853**	**34.780.922**
Total assets		**17.844.051**	**35.601.249**

Balance sheet 31 December

	Note	2024	2023
		DKK	DKK
Equity and liabilities			
Share capital		500.000	500.000
Reserve for development expenditure		41.884	172.760
Retained earnings		-2.185.478	167.825
Equity		**-1.643.594**	**840.585**
Provision for deferred tax		0	485.164
Total provisions		**0**	**485.164**
Other payables		2.081.116	1.982.687
Total non-current liabilities	8	**2.081.116**	**1.982.687**
Banks		208.439	156.982
Trade payables		14.763.784	27.028.681
Joint taxation contributions payable		0	2.454.870
Other payables		2.004.161	2.652.280
Deferred income		430.145	0
Total current liabilities		**17.406.529**	**32.292.813**
Total liabilities		**19.487.645**	**34.275.500**
Total equity and liabilities		**17.844.051**	**35.601.249**
Rent and lease liabilities	9		
Contingent liabilities	10		
Related parties and ownership structure	11		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	172.760	167.825	840.585
Net profit/loss for the year	0	-130.876	-2.353.303	-2.484.179
Equity at 31 December	**500.000**	**41.884**	**-2.185.478**	**-1.643.594**

The company has received a letter of comfort from the group company Destilink BV in which that entity states that it will provide the cash for the company to continue its operations should such support be necessary.

Notes

		2024	2023
		DKK	DKK
1	**Staff costs**		
	Wages and salaries	27.725.136	25.639.977
	Pensions	1.467.145	1.362.202
	Other social security costs	387.349	297.689
	Other staff costs	148.374	112.315
		29.728.004	**27.412.183**
	Number of fulltime employees on average	43	42

		2024	2023
2	**Financial income**		
	Other financial income	288	1.026
		288	**1.026**

		2024	2023
3	**Financial costs**		
	Other financial costs	170.349	3.874
		170.349	**3.874**

		2024	2023
4	**Tax on profit/loss for the year**		
	Current tax for the year	0	2.454.870
	Deferred tax for the year	-485.164	-475.836
		-485.164	**1.979.034**

Notes

5 Intangible assets

	Completed development projects	Acquired patents	Total
	DKK	DKK	DKK
Cost at 1 January	6.816.051	336.042	7.152.093
Cost at 31 December	6.816.051	336.042	7.152.093
Impairment losses and amortisation at 1 January	6.594.564	61.603	6.656.167
Amortisation for the year	167.790	33.600	201.390
Impairment losses and amortisation at 31 December	6.762.354	95.203	6.857.557
Carrying amount at 31 December	**53.697**	**240.839**	**294.536**

Development projects

The company has recognised the development projects regarding the development of the Flexfone-platform. The measurement is made based on incurred costs. Every year management preares an impairment analysis. If there is any indication of impairment, the projects is written down to the recoverable amount. No impairment is identified

6 Tangible assets

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	1.886.925
Additions for the year	36.750
Cost at 31 December	1.923.675
Impairment losses and depreciation at 1 January	1.562.524
Depreciation for the year	176.489
Impairment losses and depreciation at 31 December	1.739.013
Carrying amount at 31 December	**184.662**

Notes

7 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance, subscriptions and interest.

8 Long term debt

	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Other payables	1.982.687	2.081.116	0	2.081.116
	1.982.687	**2.081.116**	**0**	**2.081.116**

Notes

	2024	2023
	DKK	DKK

9 Rent and lease liabilities

Rent and lease liabilities

	2024	2023
Obligations regarding rent and lease liabilities until expiry	2.761.490	2.362.557
	2.761.490	**2.362.557**

10 Contingent liabilities

The company is jointly taxed with, Destiny Danmark Service Center ApS (administration company), and jointly liable with other jointly taxed entities for payment of income taxes for income year 2024 onwards as well as for payment of withholding taxes on dividends, interest and royalties.

11 Related parties and ownership structure

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Destilink BV, Belgicastraat 17, 1930 Zaventem, Belgium

The group annual report of Destilink BV may be obtained at the address mentioned above

Accounting policies

The annual report of FLEXFONE A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 legal or actual liabilities and 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.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

In the income statement, income is recognized as it is earned, while costs are recognized with the amounts relating to the financial year.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale service is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Materials and consumables

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

Accounting policies

Other external expenses

Other external expenses include expenses related to the company's primary activities, which are costs regarding sale, advertising, administration, premises 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 impairment of tangible and intangible assets.

Depreciation, amortisation and impairment of tangible and intangible assets comprise the year's depreciation, amortisation and impairment of tangible and intangible assets.

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, received dividens etc. from other fixed asset investments as well as allowances under the Danish Tax Prepayment Scheme, etc.

Tax

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible rights etc.

The intangible rights etc. includes completed development projects with associated intagible rights and acquired intagible rights.

Development projects relating to products and processes that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market or development opportunity in the company can be demonstrated, and where the intention is to manufacture, to market or to use the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement, when the costs are incurred. When development projects are recognized as intangible assets, an amount, corresponding to the incurred costs deducted the deferred tax, is tied on the equity under the reserve for development expenditure, which is reduced in line with depreciation and write-downs on the development projects.

Accounting policies

The costs of the development projects includes other external expenses, which has a direct correspondance with the deleopment projects.

Completed development projects are amortized on a straight-line basis following the expected period of use, which is determined based the individual development projects. The used depreciation period is 3 years.

Acquired intagible rights are measured at cost with deduction of the accumulated depreciaton. Patents are amortized on a straight-line basis over the remaning patent term, and the licenses are amortized on a straight-line basis following the agreement periode.

Intagible rights etc. are written down to the recoverable amount, if the amount i lower than the accounting value.

Tangible assets

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The depreciation foundation is cost with the deduction of the expected residual value after the end of use. The depreciation is amortized on a straight-line basis following the expected period of use:

	Useful life
Other fixtures and fittings, tools and equipment	1-3 years

The expected periode of use and seidual values are reassessed annually.

Tangible assets are written down to the recoverable amount, if the amount i lower than the accounting value.

Leases

The company has chosen IAS 17 as an interpretation contribution for the classification and recognition of leasing contracts.

Accounting policies

Leases where the company does not have all benefits and risks regarding the ownership, are operational leases. Services regarding operational leases and other lease contracts are recognized in the income statement over the term of the contracts.

The company’s liabilities regarding operational leases and lease contracts are disclosed under contingent liabilities.

Other securities and investments, fixed assets

Other securities and investments, fixed assets, are measured at amortised cost. By amortised cost is meant the outstanding receivable recognised at a price calculated as the market value (fair value) on the day the accounting year ends.

Inventory

Iventory are measured at cost using theFIFO method. or the net realisable value, if this is lower.

The costs includes the acquisition price with the addition of repatriation costs.

The net realisable value of inventory is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

The company has chosen IAS 39 as an interpretation contribution for write-downs of financial receivables.

Receivables are measured at amortised cost, which usually corresponds to nominal value, less write-downs to cover expected losses.

Receivables for which there is no objective evidence of individual impairment are tested for impairment on a portfolio basis. The portfolios are primarily based on debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years. Prepayments are measured at cost.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise deposits at banks.

Defered tax

Deferred tax is recognized for all temporary differences between the accounting and tax values of assets and liabilities, where the tax value of the assets is calculated based on the planned use of the individual asset.

Deferred tax assets, including the tax value of tax losses eligible for carry-forward, are recognized in the balance sheet at the value at which the asset is expected to be realized, either by offsetting in deferred tax liabilities or as net tax assets.

Payable and receivable Joint taxation contributions

Current joint taxation contributions payable or joint taxation contributions receivable are recognized in the balance sheet calculated as calculated tax on the year's taxable income, adjusted for advance tax paid. In the case of tax losses, joint taxation contributions receivable are only recognized if the deficit is expected to be used in joint taxation.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalized residual lease liability on financial leasing contracts.

Other liabilities are measured at amortised cost, which is usually equivalent to nominal value.