

## **EXFORMATICS A/S**

**Nyhavn 16, 3.**

**1051 København K**

**Central Business Registration No. 25 35 51 13**

### **Annual Report for 2022**

The Annual Report was presented and approved at the Annual General Meeting of the Company on 24/05 2023

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Claus Hovge Andersen  
Dirigent

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## Company details

### The company

EXFORMATICS A/S  
Nyhavn 16, 3.  
1051 København K

CVR no.: 25 35 51 13  
Reporting period: 1 January - 31 December 2022  
Domicile: Copenhagen

### Board of directors

Brian Beattie, chairman  
Claus Hovge Andersen  
Jesper Ulsted

### Executive board

Holger Torkild Foss, CEO

### Auditors

Roesgaard  
Godkendt Revisionspartnerselskab  
Sønderbrogade 16  
8700 Horsens

## Statement by management on the annual report

The board of directors and executive board have today discussed and approved the annual report of EXFORMATICS A/S for the financial year 1 January - 31 December 2022.

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 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

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 be approved by the company at the general meeting.

Copenhagen, 24 May 2023

### Executive board

Holger Torkild Foss  
CEO

### Board of directors

Brian Beattie  
chairman

Claus Hovge Andersen

Jesper Ulsted

## Independent auditor's report

### To the shareholder of EXFORMATICS A/S

#### Opinion

We have audited the financial statements of EXFORMATICS A/S for the financial year 1 January - 31 December 2022, 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 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 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.

#### 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 made on the basis of these financial statements.

## Independent auditor's report

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.

### 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.

## Independent auditor's report

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.

Horsens, 24 May 2023

### **Roesgaard**

Godkendt Revisionspartnerselskab  
CVR no. 37 54 31 28

Michael Mortensen  
State Authorised Public Accountant  
MNE no. mne34108

## Management's review

### Business review

The company's purpose is to run commercial and industrial activities, including by establishing one or more Internet-based marketplaces and knowledge databases for manufacturers, researchers, commercial and research companies within the life science industry. The company may also carry out other activities in natural connection with the aforementioned purposes, and the company's activities may be carried out directly or through wholly or partially owned subsidiaries in Denmark and abroad.

### Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 439,276, and the balance sheet at 31 December 2022 shows negative equity of DKK 196,012.

In the financial year, the company lost more than half of its registered capital. Initiatives to strengthen margins has been implemented and a positive result for 2023 is expected. Hence, management expect that the company's capital will be restored through future earnings.

### Significant events occurring after the end of the financial year

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



## Accounting policies

The annual report of EXFORMATICS A/S for 2022 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 annual report for 2022 is presented in DKK.

### Changes in accounting policies

EXFORMATICS A/S has implemented IFRS 15 Revenue from contracts with customers and IFRS 16 Leasing.

IFRS 15 includes a number of transitional provisions that allow the standard not to be implemented retroactively. Using this method means that the accumulated effect of the implementation of IFRS 15 is recognised in the equity at the beginning of the year of transition and that comparative figures are not restated. When implementing IFRS 15 for the interpretation of the legal framework, it is also allowed to apply the more applicable relaxed rules of IFRS 15 under the law.

The IFRS 15 implementation has no accounting impact.

IFRS 16 contains a number of transitional provisions that allow existing leases to be recognised based on the present value of the remaining lease liabilities and that comparative figures are not to be restated. When implementing IFRS 16 for the interpretation of the legal framework, it is also allowed that the less strict transitional provisions under IFRS 16 also apply within the law.

The accounting impact of the IFRS 16 implementation is that in the financial statements for 2022, the company has recognised DKK 485 thousand in the balance sheet as lease liability with effect on the assets being equivalent to DKK 471 thousand. The operating effect of the reimplementation of IFRS 16 totals DKK 60 thousand

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including 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 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 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.

## Accounting policies

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.

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.

### 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 and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

#### Revenue

The company uses IFRS 15 as basis for the revenue recognition.

Revenue from the sale of software and services is recognised in the income statement by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of the work performed during the year (the percentage of completion method). Revenue is recognised when total income and expenses and the stage of completion of the contract at the balance sheet date can be reliably measured and when it is probable that the economic benefits, including payments, will flow to the company. Revenue is measured excluding VAT and taxes.

Revenue from sale of licenses and subscriptions is accrued over the agreement period.

#### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, 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.

#### Amortisation, depreciation and impairment losses

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

## Accounting policies

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, currency exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

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 assets

#### *Development projects, patents and licences*

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Development projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the term of the licence, however not more than 8 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

### Tangible assets

Buildings 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. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

## Accounting policies

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

	<b>Useful life</b>	<b>Residual value</b>
Buildings	2 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

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.

### Leases

The company uses IFRS 16 as basis for classifications and recognition of leases.

Leases for items of property, plant and equipment that transfer substantially all the risks and rewards incident to ownership to the company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the company's other non-current assets.

### Fixed asset investments

#### Receivables

Receivables are measured at amortised cost.

#### Contract work 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 balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

## Accounting policies

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

### Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

### Equity

#### Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

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.

### Liabilities

Financial liabilities also include the capitalised residual finance lease commitment.

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

The compensated absence commitment which the company's employees earn during the transitional period from 1 September 2019 to 31 August 2020, is administered by the company and is paid in to the Danish Holiday Fund before the employee reaches the pensionable age. Other debt is measured at amortised cost, which usually corresponds to the nominal value.

### Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

## Income statement 1 January - 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>Gross profit</b>		<b>3.612.438</b>	<b>4.490.165</b>
Staff costs	1	<u>(3.954.501)</u>	<u>(4.278.023)</u>
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>(342.063)</b>	<b>212.142</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>(197.036)</u>	<u>(141.663)</u>
<b>Profit/loss before net financials</b>		<b>(539.099)</b>	<b>70.479</b>
Financial income		7.262	22
Financial costs		<u>(29.541)</u>	<u>(22.028)</u>
<b>Profit/loss before tax</b>		<b>(561.378)</b>	<b>48.473</b>
Tax on profit/loss for the year	2	<u>122.102</u>	<u>(11.173)</u>
<b>Profit/loss for the year</b>		<b>(439.276)</b>	<b>37.300</b>
Transferred to other statutory reserves		(110.449)	0
Retained earnings		<u>(328.827)</u>	<u>37.300</u>
		<b>(439.276)</b>	<b>37.300</b>

## Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>Assets</b>			
Completed development projects		141.725	283.325
<b>Intangible assets</b>	3	<u>141.725</u>	<u>283.325</u>
Land and buildings	4	471.210	0
<b>Tangible assets</b>		<u>471.210</u>	<u>0</u>
Deposits		179.733	161.820
<b>Fixed asset investments</b>		<u>179.733</u>	<u>161.820</u>
<b>Total non-current assets</b>		<u>792.668</u>	<u>445.145</u>
Trade receivables		453.475	1.691.473
Contract work in progress	5	202.575	51.581
Receivables from affiliated companies		1.098.845	2.343
Deferred tax asset	6	312.125	190.023
Prepayments		219.982	276.466
<b>Receivables</b>		<u>2.287.002</u>	<u>2.211.886</u>
<b>Cash at bank and in hand</b>		<u>211.257</u>	<u>1.836.734</u>
<b>Total current assets</b>		<u>2.498.259</u>	<u>4.048.620</u>
<b>Total assets</b>		<u>3.290.927</u>	<u>4.493.765</u>

## Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>Equity and liabilities</b>			
Share capital		500.000	500.000
Reserve for development expenditure		110.545	220.994
Retained earnings		<u>(806.557)</u>	<u>(605.387)</u>
<b>Equity</b>		<b><u>(196.012)</u></b>	<b><u>115.607</u></b>
Lease obligations		336.116	0
Other payables		<u>0</u>	<u>558.484</u>
<b>Total non-current liabilities</b>	<b>7</b>	<b><u>336.116</u></b>	<b><u>558.484</u></b>
Short-term part of long-term debt	7	148.942	0
Trade payables		529.330	506.774
Other payables		472.233	2.257.975
Deferred income		<u>2.000.318</u>	<u>1.054.925</u>
<b>Total current liabilities</b>		<b><u>3.150.823</u></b>	<b><u>3.819.674</u></b>
<b>Total liabilities</b>		<b><u>3.486.939</u></b>	<b><u>4.378.158</u></b>
<b>Total equity and liabilities</b>		<b><u>3.290.927</u></b>	<b><u>4.493.765</u></b>
Contingent liabilities	8		



## Statement of changes in equity

	<u>Share capital</u>	<u>Reserve for development expenditure</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	500.000	220.994	(605.387)	115.607
Net profit/loss for the year	0	(110.449)	(328.827)	(439.276)
Contribution from group	0	0	127.657	127.657
<b>Equity at 31 December 2022</b>	<b>500.000</b>	<b>110.545</b>	<b>(806.557)</b>	<b>(196.012)</b>

## Notes to the annual report

	<b>2022</b>	<b>2021</b>
	DKK	DKK
<b>1 Staff costs</b>		
Wages and salaries	3.917.836	4.047.605
Pensions	0	192.000
Other social security costs	36.665	38.418
	<u><b>3.954.501</b></u>	<u><b>4.278.023</b></u>
Average number of employees	<u>4</u>	<u>6</u>
<b>2 Tax on profit/loss for the year</b>		
Deferred tax for the year	<u>(122.102)</u>	<u>11.173</u>
	<u><b>(122.102)</b></u>	<u><b>11.173</b></u>
<b>3 Intangible assets</b>		<b>Completed development projects</b>
		<u>424.988</u>
Cost at 1 January 2022		424.988
Cost at 31 December 2022		<u>424.988</u>
Amortisation at 1 January 2022		141.663
Amortisation for the year		<u>141.600</u>
Amortisation at 31 December 2022		<u>283.263</u>
<b>Carrying amount at 31 December 2022</b>		<u><b>141.725</b></u>

## Notes to the annual report

### 4 Tangible assets

	<b>Land and buildings</b>
Cost at 1 January 2022	0
Net effect from change of accounting policy	526.646
Cost at 31 December 2022	526.646
Depreciation at 1 January 2022	0
Depreciation for the year	55.436
Depreciation at 31 December 2022	55.436
<b>Carrying amount at 31 December 2022</b>	<b>471.210</b>
Value of leased assets	471.210

	<b>2022</b>	<b>2021</b>
	DKK	DKK
<b>5 Contract work in progress</b>		
Work in progress, selling price	202.575	51.581
	<b>202.575</b>	<b>51.581</b>
Recognised in the balance sheet as follows:		
Contract work in progress under assets	202.575	51.581
Prepayments received under liabilities	0	0
	<b>202.575</b>	<b>51.581</b>

## Notes to the annual report

	<b>2022</b>	<b>2021</b>
	DKK	DKK
<b>6 Provision for deferred tax</b>		
Provision for deferred tax at 1 January 2022	190.023	201.196
Deferred tax recognised in income statement	146.566	(11.173)
<b>Provision for deferred tax at 31 December 2022</b>	<b>336.589</b>	<b>190.023</b>

## 7 Long-term debt

	<b>Debt at 1 January 2022</b>	<b>Debt at 31 December 2022</b>	<b>Instalment next year</b>	<b>Debt outstanding after 5 years</b>
Lease obligations	0	336.116	148.942	0
Other payables	558.484	0	0	0
	<b>558.484</b>	<b>336.116</b>	<b>148.942</b>	<b>0</b>

## 8 Contingent liabilities

The company is jointly taxed with Modaxo Europe A/S, and has limited and secondary liability together with other jointly taxed entities for payment of income taxes for income year 2022 onwards as well as for payment of withholding taxes on dividends, interest and royalties.

## 9 Related parties and ownership structure

### Consolidated financial statements

The company is part of the group reporting for Constellation Software Inc., Canada, which is the smallest group in which the company is included as a subsidiary.