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BDO Statsautoriseret revisionsaktieselskab
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SYNTHONETIC APS
KROGENBERGVEJ 15A, 3490 KVISTGÅRD
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 18 July 2023**

Steen Mørkøv Kristiansen

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COMPANY DETAILS**Company**

Syntonetic ApS
Krogenbergvej 15A
3490 Kvistgård

CVR No.: 26 26 02 99
Established: 7 September 2001
Municipality: Helsingør
Financial Year: 1 January - 31 December

Executive Board

Steen Mørkøv Kristiansen

Auditor

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
1561 Copenhagen V

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of Syntonetic ApS for the financial year 1 January - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

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

We recommend the general meeting to opt out of audit for the annual report for 1 January - 31 December 2023. The Executive Board consider the conditions for opting out of audit to be fulfilled.

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

Copenhagen, 18 July 2023

Executive Board

Steen Mørkøv Kristiansen

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Syntonetic ApS

Conclusion

We have performed an extended review of the Financial Statements of Syntonetic ApS for the financial year 1 January - 31 December 2022, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed 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 Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such Internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary

Management is responsible for the Management Commentary.

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

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management Commentary.

Copenhagen, 18 July 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Kim Mücke
State Authorised Public Accountant
MNE no. mne10944

MANAGEMENT COMMENTARY

Principal activities

The principal activities comprise owning patents.

Development in activities and financial and economic position

The financial result of the Entity's fiscal year is a loss of DKK 4.489.

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 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
NET REVENUE		270.000	68.000
Other external expenses.....		-20.000	-27.400
GROSS PROFIT/LOSS		250.000	40.600
Depreciation, amortisation and impairment losses.....		-138.585	-38.868
Impairment of current assets other than normal impairment....		-91.393	0
PROFIT BEFORE TAX		20.022	1.732
Tax on profit/loss for the year.....	2	-24.511	-30.489
LOSS FOR THE YEAR		-4.489	-28.757
PROPOSED DISTRIBUTION OF LOSS			
Retained earnings.....		-4.489	-28.757
TOTAL		-4.489	-28.757

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Intangible fixed assets acquired.....		0	138.585
Intangible assets.....	3	0	138.585
NON-CURRENT ASSETS.....		0	138.585
Receivables from group enterprises.....		270.000	91.393
Receivables.....		270.000	91.393
Cash and cash equivalents.....		311	311
CURRENT ASSETS.....		270.311	91.704
ASSETS.....		270.311	230.289

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK	2021 DKK
Share capital.....		203.084	203.084
Retained earnings.....		-89.972	-85.483
EQUITY.....		113.112	117.601
Provision for deferred tax.....		0	30.489
PROVISIONS.....		0	30.489
Joint tax contribution payable.....		55.000	0
Other liabilities.....		102.199	82.199
Current liabilities.....		157.199	82.199
LIABILITIES.....		157.199	82.199
EQUITY AND LIABILITIES.....		270.311	230.289
 Contingencies etc.	 4		
Charges and securities	5		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022.....	203.084	-85.483	117.601
Proposed loss allocation.....		-4.489	-4.489
Equity at 31 December 2022.....	203.084	-89.972	113.112

NOTES

			Note
Staff costs			1
Average number of employees	0	0	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	55.000	0	
Adjustment of tax in previous years.....	0	39.040	
Adjustment of deferred tax.....	-30.489	-8.551	
	24.511	30.489	
Intangible assets			3
		Intangible fixed assets acquired	
Cost at 1 January 2022.....		777.350	
Cost at 31 December 2022.....		777.350	
Amortisation at 1 January 2022.....		638.765	
Amortisation for the year.....		138.585	
Amortisation at 31 December 2022.....		777.350	
Carrying amount at 31 December 2022.....		0	
Contingencies etc.			4
Contingent liabilities			
The entity participates in a joint taxation arrangement in which Songco ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the entity is therefore liable for income taxes etc. for the jointly taxed entities, and obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.			
Charges and securities			5
For all balances between the bank and the parent company, Moodagent A/S, the Entity has pledged acquired intangible assets as security with an amount up to DKK 2.000 K. At 31. December 2022 intangible assets had a carrying amount of 0 DKK (2021: DKK 139 K).			

ACCOUNTING POLICIES

The Annual Report of Syntonetic ApS for 2022 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

Revenue consist of license income. Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other external expenses

Other external expenses include other administrative costse expenses, etc

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

BALANCE SHEET

Intangible fixed assets

Patents are measured at the lower of cost less accumulated amortisation and the recoverable amount. Patents are amortised over the remaining patent period and licences are amortised over 20 years equal to the periode.

Impairment of fixed assets

The carrying amount of intangible fixed assets, are assessed annually 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 recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables

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

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.

Liabilities

The amortised cost of current liabilities corresponds usually to the nominal value.