



SYNTHONETIC ApS

Vesterbrogade 74
1620 Copenhagen V
CVR No. 26260299

Annual report 2021

The Annual General Meeting adopted the
annual report on 04.08.2022

Steen Mørkøv Kristiansen

Chairman of the General Meeting

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Entity details

Entity

SYNTHONETIC ApS
Vesterbrogade 74
1620 Copenhagen V

Business Registration No.: 26260299
Registered office: Copenhagen
Financial year: 01.01.2021 - 31.12.2021

Executive Board

Steen Mørkøv Kristiansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of SYNTHONETIC ApS for the financial year 01.01.2021 - 31.12.2021.

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 Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 04.08.2022

Executive Board

Steen Mørkøv Kristiansen

Independent auditor's report

To the shareholder of SYNTONETIC ApS

Opinion

We have audited the financial statements of SYNTONETIC ApS for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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 this auditor's report. We are independent of the Entity 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit 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 of the management commentary.

Copenhagen, 04.08.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Kim Takata Mücke

State Authorised Public Accountant
Identification No (MNE) mne10944

Management commentary

Primary activities

The Entity's primary activity is to own patents.

Description of material changes in activities and finances

The financial result of the Entity's fiscal year is a loss of DKK 29 thousands.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Revenue		68,000	68,000
Other external expenses	1	(27,400)	(27,400)
Gross profit/loss		40,600	40,600
Depreciation, amortisation and impairment losses		(38,868)	(38,868)
Operating profit/loss		1,732	1,732
Other financial expenses	2	0	(1,603)
Profit/loss before tax		1,732	129
Tax on profit/loss for the year	3	(30,489)	0
Profit/loss for the year		(28,757)	129
Proposed distribution of profit and loss:			
Retained earnings		(28,757)	129
Proposed distribution of profit and loss		(28,757)	129

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Acquired intangible assets		138,585	177,453
Intangible assets	4	138,585	177,453
Fixed assets		138,585	177,453
Receivables from group enterprises		91,393	284,324
Receivables		91,393	284,324
Cash		311	311
Current assets		91,704	284,635
Assets		230,289	462,088

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		203,084	203,084
Retained earnings		(85,483)	(56,726)
Equity		117,601	146,358
Deferred tax		30,489	0
Provisions		30,489	0
Payables to group enterprises		0	260,931
Other payables		82,199	54,799
Current liabilities other than provisions		82,199	315,730
Liabilities other than provisions		82,199	315,730
Equity and liabilities		230,289	462,088
Contingent liabilities	5		
Assets charged and collateral	6		

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	203,084	(56,726)	146,358
Profit/loss for the year	0	(28,757)	(28,757)
Equity end of year	203,084	(85,483)	117,601

Notes

1 Other external expenses

The Entity does not have any employees.

2 Other financial expenses

	2021 DKK	2020 DKK
Other financial expenses	0	1,603
	0	1,603

3 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Change in deferred tax	(8,551)	0
Adjustment concerning previous years	39,040	0
	30,489	0

4 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	777,350
Cost end of year	777,350
Amortisation and impairment losses beginning of year	(599,897)
Amortisation for the year	(38,868)
Amortisation and impairment losses end of year	(638,765)
Carrying amount end of year	138,585

5 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.

6 Assets charged and collateral

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 thousand. At 31 December 2021 intangible assets had a carrying amount of DKK 139k (2019: DKK 177k).

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Income statement

Revenue

Revenue consist of license income. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration.

Other external expenses

Other external expenses include corporate expenses.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets.

Other financial expenses

Other financial expenses comprise interest expenses and exchange losses on transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise patents

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over 20 years equal to the patent period.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.