



Piaster Revisorerne
vi giver bedre råd

Clifton Technologies ApS

Flæsketorvet 68, 1711 København V

Company reg. no. 36 42 87 67

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 27 June 2024.

DocuSigned by:

Thomas Cole

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Thomas Clifton Cole
Chairman of the meeting

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 USD 146.940 means the amount of USD 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Clifton Technologies ApS for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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.

København V, 27 June 2024

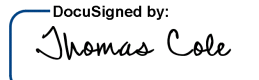
Managing Director

DocuSigned by:

Prashant Agarwal

Board of directors

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Neil Scott Rafer

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Thomas Clifton Cole

The independent practitioner's report

To the Shareholders of Clifton Technologies ApS

Conclusion

We have performed an extended review of the financial statements of Clifton Technologies ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and 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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 "Practitioner'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 (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 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.

Practitioner'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.

The independent practitioner's report

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's Review

Management is responsible for the Management's Review.

Our conclusion on the financial statements does not cover the Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review 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's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 in the Management's Review.

Alleroed, 27 June 2024

Piaster Revisorerne

Statsautoriseret Revisionsaktieselskab
Company reg. no. 25 16 00 37

Emil Lagstrøm

State Authorised Public Accountant
mne45851

Company information

The company

Clifton Technologies ApS
Flæsketorvet 68
1711 København V

Company reg. no. 36 42 87 67

Financial year: 1 January - 31 December

Board of directors

Neil Scott Rafer
Thomas Clifton Cole

Managing Director

Prashant Agarwal

Auditors

Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab
Engholm Parkvej 8
3450 Allerød

Management's review

The principal activities of the company

Company's primary activities have been further development of the Company's marketing platform (website) along with sales mainly generated through this platform.

Development in activities and financial matters

Company's financial performance for 2023 is considered satisfying.

Events occurring after the end of the financial year

In 2024 Company's marketing platform (website) has experienced a lower page rank on Google's search engine, due to changes in search result pages resulting from Google's use of AI-generated results. As a result, the Company's website traffic and the corresponding revenues are lower. Despite this, Company expects profit for 2024, but significantly lower than for 2023. No other events materially affecting the Company's financial position have occurred after the financial year-end.

Income statement 1 January - 31 December

All amounts in USD.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	3.533.953	4.263.691
1 Staff costs	-883.734	-752.794
Depreciation and impairment of property, land, and equipment	0	-1.280
Operating profit	2.650.219	3.509.617
Other financial income	161.669	124.569
Other financial expenses	-10.577	-72.271
Pre-tax net profit or loss	2.801.311	3.561.915
Tax on net profit or loss for the year	-653.875	-764.101
Net profit or loss for the year	2.147.436	2.797.814
Proposed distribution of net profit:		
Extraordinary dividend distributed during the financial year	5.291.510	0
Transferred to retained earnings	0	2.797.814
Allocated from retained earnings	-3.144.074	0
Total allocations and transfers	2.147.436	2.797.814

Balance sheet at 31 December

All amounts in USD.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
Deposits	7.736	7.736
Total investments	7.736	7.736
Total non-current assets	7.736	7.736
Current assets		
Trade receivables	405.017	316.343
Receivables from group enterprises	937.124	3.583.719
Deferred tax assets	275	242
Other receivables	511.405	909.800
Total receivables	1.853.821	4.810.104
Cash and cash equivalents	105.602	195.473
Total current assets	1.959.423	5.005.577
Total assets	1.967.159	5.013.313

Balance sheet at 31 December

All amounts in USD.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	8.384	8.384
Retained earnings	1.012.982	4.157.057
Total equity	<u>1.021.366</u>	<u>4.165.441</u>
Liabilities other than provisions		
Bank loans	3.855	0
Trade payables	181.468	102.185
Payables to group enterprises	0	12.140
Corporation tax payable	475.126	496.537
Other payables	285.344	237.010
Total short term liabilities other than provisions	<u>945.793</u>	<u>847.872</u>
Total liabilities other than provisions	<u>945.793</u>	<u>847.872</u>
Total equity and liabilities	<u>1.967.159</u>	<u>5.013.313</u>

2 Contingencies

Statement of changes in equity

All amounts in USD.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	8.384	1.359.242	1.367.626
Retained earnings for the year	0	2.797.815	2.797.815
Equity 1 January 2022	8.384	4.157.057	4.165.441
Retained earnings for the year	0	-3.144.075	-3.144.075
Extraordinary dividend adopted during the financial year	0	5.291.510	5.291.510
Distributed extraordinary dividend adopted during the financial year	0	-5.291.510	-5.291.510
	8.384	1.012.982	1.021.366

Notes

All amounts in USD.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	864.249	738.742
Pension costs	15.034	10.873
Other costs for social security	<u>4.451</u>	<u>3.179</u>
	<u>883.734</u>	<u>752.794</u>
Average number of employees	<u>4</u>	<u>3</u>

2. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into an office lease with 3 months' notice. The total obligation amounts to USD 8.000.

Accounting policies

The annual report for Clifton Technologies 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 the previous year, and the annual report is presented in American dollars (USD).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, other operating income, and external expenses.

Revenue

The enterprise will be applying IFRS 15 as its basis of interpretation for the recognition of revenue.

The revenue is recognised when the control of the identifiable individual performance obligations has been performed in respect of the customer whereby the customer gains control of the asset or the service. Sales remunerations are allocated proportionally to the individual performance obligations in the agreement.

For online marketing "price per-click-services" the performance obligations are considered satisfied when traffic is directed to a customer's website as a result of a click on a link to customer's website.

For "lead generating" the performance obligations are considered satisfied at the time the customer has received lead information.

For "sales commission" the performance obligations are considered satisfied at the time the end client purchase occurs as a result of online traffic directed to the customer.

Other services are also recognized at the time the performance obligations are considered satisfied.

Revenue is measured at fair value of agreed remunerations, less VAT and expenses. All forms of discount are recognised in revenue.

Other external expenses

Other external expenses comprise expenses incurred for sales, advertising, administration, premises and loss on receivables.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax 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.

Accounting policies

Statement of financial position

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value less write-down for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

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 on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany.

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 concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Emil Lagstrøm

Revisor

På vegne af: Piaster Revisorerne

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