

ACUMEX ApS

c/o Niklas Hall
Peder Lykkes Vej 53, 1. tv.
2300 København S
Denmark

CVR no. 36 46 08 57

Annual report for the period 1 April 2020 – 31 March 2021

The annual report was presented and approved at
the Company's annual general meeting on

27 August 2021

Niklas Frank Hall
Chairman

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ACUMEX ApS
Annual report 2020/21
CVR no. 36 46 08 57

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of ACUMEX ApS for the financial year 1 April 2020 – 31 March 2021.

The annual report has been 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 assets, liabilities and financial position at 31 March 2021 and of the results of the Company's operations for the financial year 1 April 2020 – 31 March 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 27 August 2021
Executive Board:

Niklas Frank Hall
CEO

Flavio Gaier

Independent auditor's report

To the shareholders of ACUMEX ApS

Opinion

We have audited the financial statements of ACUMEX ApS for the financial year 1 April 2020 – 31 March 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 March 2021 and of the results of the Company's operations for the financial year 1 April 2020 – 31 March 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 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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.

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 company 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.

Independent auditor's report

- 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 the Management's review

Management is responsible for the Management's review.

Our opinion 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 audit 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 audit, 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 of the Management's review.

Copenhagen, 27 August 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

ACUMEX ApS
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Management's review

Company details

ACUMEX ApS
c/o Niklas Hall
Peder Lykkes Vej 53, 1. tv.
2300 København S
Denmark

CVR no.:	36 46 08 57
Established:	15 December 2014
Registered office:	Copenhagen
Financial year:	1 April – 31 March

Executive Board

Niklas Frank Hall, CEO
Flavio Gaier

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The financial year 2020-2021 has been impacted by the global Covid-19 situation. While Acumex has been able to maintain full operability and continue development as well as research-based activities with our scientific partners CWI, the lockdowns, the layoffs in various industries and the disturbances in global supply chains have severely hindered the commercial side of the business. In a situation where it has never been clearer that companies need more digitalization and more decentralization it is ironic that the same situation reduced both focus and capacity to invest in new technology.

In the beginning of 2021, the lockdown situation was beginning to look better in Denmark, which opened for renewed engagements with potential clients, and we have been making slow progress. This progress lays the foundation for a better outlook for the year 2021-2022.

Development in activities and financial position

The Company's income statement for 2020/21 shows a loss of DKK -158,602 as against DKK -426,356 in 2019/20. Equity in the Company's balance sheet at 31 March 2021 stood at DKK -59,795 as against DKK -52,422 at 31 March 2020.

Outlook

Based on the progress made in 2021 the Management expects to start a partnership in the pharmaceutical trading market, which will set the company on a growth trajectory. The Management also expects to start pilot projects in the construction market thus breaking ground in different verticals. The company will initiate a funding round to support the growth phase.

Events after the balance sheet date

The Company has re-established its share capital in August 2021 by converting debt. Besides this no events of material significance have occurred after the closing of the financial year.

Material uncertainties regarding going concern

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. The Company has re-established its share capital in August 2021 by converting debt. Further, it is Management's assessment that the capital will be strengthened through future gains, financial restructuring and additional funding.

Financial statements 1 April – 31 March

Income statement

DKK	Note	01/04 2020- 31/03 2021	01/04 2019- 31/03 2020
Gross profit/loss		224,885	-134,909
Staff costs	3	<u>-347,975</u>	<u>-442,694</u>
Loss before financial income and expenses		-123,090	-577,603
Financial expenses	4	<u>-128,069</u>	<u>-87,959</u>
Loss before tax		-251,159	-665,562
Tax on loss for the year	5	<u>92,557</u>	<u>239,206</u>
Loss for the year		<u><u>-158,602</u></u>	<u><u>-426,356</u></u>
Proposed distribution of loss			
Reserve for development costs		530,956	531,113
Retained earnings		<u>-689,558</u>	<u>-957,469</u>
		<u><u>-158,602</u></u>	<u><u>-426,356</u></u>

Financial statements 1 April – 31 March

Balance sheet

DKK	Note	31/03 2021	31/03 2020
ASSETS			
Fixed assets			
Intangible assets			
Development projects in progress		<u>2,786,748</u>	<u>2,140,900</u>
Investments			
Equity investments in group entities		<u>68,625</u>	<u>68,625</u>
Total fixed assets		<u>2,855,373</u>	<u>2,209,525</u>
Current assets			
Receivables			
Other receivables		667	3,276
Corporation tax		142,086	149,801
Prepayments		<u>59,600</u>	<u>34,767</u>
		<u>202,353</u>	<u>187,844</u>
Cash at bank and in hand		<u>400,406</u>	<u>802,880</u>
Total current assets		<u>602,759</u>	<u>990,724</u>
TOTAL ASSETS		<u><u>3,458,132</u></u>	<u><u>3,200,249</u></u>

Financial statements 1 April – 31 March

Balance sheet

DKK	Note	31/03 2021	31/03 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		161,470	159,870
Reserve for development costs		2,173,663	1,642,707
Retained earnings		<u>-2,394,928</u>	<u>-1,854,999</u>
Total equity		<u>-59,795</u>	<u>-52,422</u>
Provisions			
Provisions for deferred tax		<u>273,651</u>	<u>224,122</u>
Total provisions		<u>273,651</u>	<u>224,122</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Convertible and profit-sharing debt instruments	6	<u>0</u>	<u>2,607,500</u>
Current liabilities other than provisions			
Convertible and profit-sharing debt instruments		2,903,474	0
Trade payables		310,891	405,269
Other payables		<u>29,911</u>	<u>15,780</u>
		<u>3,244,276</u>	<u>421,049</u>
Total liabilities other than provisions		<u>3,244,276</u>	<u>3,028,549</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,458,132</u></u>	<u><u>3,200,249</u></u>
Disclosure of material uncertainties regarding going concern	2		
Contractual obligations, contingencies, etc.	7		

Financial statements 1 April – 31 March

Statement of changes in equity

DKK	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity at 1 April 2020	159,870	1,642,707	-1,854,999	-52,422
Cash capital increase	1,600	0	149,629	151,229
Transferred over the distribution of loss	<u>0</u>	<u>530,956</u>	<u>-689,558</u>	<u>-158,602</u>
Equity at 31 March 2021	<u><u>161,470</u></u>	<u><u>2,173,663</u></u>	<u><u>-2,394,928</u></u>	<u><u>-59,795</u></u>

Financial statements 1 April – 31 March

Notes

1 Accounting policies

The annual report of ACUMEX ApS for 2020/21 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Income statement

Gross Loss

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross loss.

Other operating income

Other operating income comprises items secondary to the activities of the entity.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial expenses

Financial expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on loss for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

Financial statements 1 April – 31 March

Notes

1 Accounting policies (continued)

On payment of joint taxation contributions, current Danish corporation 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects in progress

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Investments

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of intangible assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Financial statements 1 April – 31 March

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1 Accounting policies (continued)

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

2 Material uncertainties regarding going concern

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. The Company has re-established its share capital in August 2021 by converting debt. Further, it is Management's assessment that the capital will be strengthened through future gains, financial restructuring and additional funding.

Financial statements 1 April – 31 March

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DKK	<u>31/03 2021</u>	<u>31/03 2020</u>
3 Staff costs		
Wages and salaries	540,000	617,106
Pensions	0	8,000
Other social security costs	<u>10,475</u>	<u>20,088</u>
	<u>550,475</u>	<u>645,194</u>
Staff costs are recognised in the financial statements as follows:		
Staff costs	347,975	442,964
Development projects	<u>202,500</u>	<u>202,500</u>
	<u>550,475</u>	<u>645,464</u>
Average number of full-time employees	<u>2</u>	<u>2</u>
4 Financial expenses		
Interest expense to group entities	113,248	68,912
Other financial costs	<u>14,821</u>	<u>19,047</u>
	<u>128,069</u>	<u>87,959</u>
5 Tax on loss for the year		
Current tax for the year	-142,086	-149,801
Deferred tax for the year	44,206	2,168
Adjustment of deferred tax concerning previous years	<u>5,323</u>	<u>-91,573</u>
	<u>-92,557</u>	<u>-239,206</u>

Financial statements 1 April – 31 March

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6 Non-current liabilities other than provisions

DKK	31/03 2021	31/03 2020	Outstanding debt after five years
Convertible and profit-sharing debt instruments	<u>0</u>	<u>2,607,500</u>	<u>0</u>
	<u>0</u>	<u>2,607,500</u>	<u>0</u>

7 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is jointly taxed with other Danish companies in the Group. Together with the other companies in the joint taxation, the Company has joint and several liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation. Corporation tax payable within the joint taxation scheme amounted to DKK 0 at 31 March 2021 (2020: DKK 0). Any later corrections of the taxable income subject to joint taxation may entail that the Company's liability will increase.