

Inniti ApS

Ny Carlsberg Vej 80
1799 København V
Denmark

CVR no. 38 80 23 80

Annual report 2019

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

26 May 2020

Malthe Muff
chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Inniti ApS for the financial year 1 January – 31 December 2019.

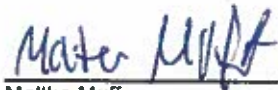
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

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, 26 May 2020
Executive Board:



Malthe Muff
CEO

Board of Directors:



Else Beth Trautner
Chairman



Karl Ivar Andersson Xavier



Matteo Fumagalli



Anders Lund Rasmussen



Claus Helix-Nielsen



Independent auditor's report

To the shareholders of Inniti ApS

Opinion

We have audited the financial statements of Inniti ApS for the financial year 1 January – 31 December 2019 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 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 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.



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 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.
- 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.



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Independent auditor's report

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, 26 May 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in blue ink, appearing to read 'M. Høgh-Petersen', written over a faint, illegible stamp.

Morten Høgh-Petersen
State Authorized
Public Accountant
mne34283

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Management's review

Company details

Inniti ApS
Ny Carlsberg Vej 80
1799 København V
Denmark

Telephone: +45 2244 3404
E-mail: mm@inniti.dk

CVR no.: 38 80 23 80
Established: 15 July 2017
Registered office: Copenhagen
Financial year: 1 January – 31 December

Board of Directors

Eise Beth Trautner, Chairman
Karl Ivar Andersson Xavier
Matteo Fumagalli
Anders Lund Rasmussen
Claus Helix-Nielsen

Executive Board

Malthe Muff, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
2100 Copenhagen
Denmark

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Management's review

Operating review

Principal activities

The company's purpose is to develop hardware and software solution for the chemical solution industry in order to automate experimental work performed by researchers.

Development in activities and financial position

The company is developing a software and hardware platform that enables scientists to automate the documentation and execution of their laboratory work.

The first commercial version will launch in Q2 2020; the company will continue to develop its technology.

The yearly result is satisfying.

Events after the balance sheet date

The outbreak of Covid-19 will not affect the development activities of the companies product. It will negatively affect the commercial expansion of Inniti's solution in 2021.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2019	2018
Gross profit		60,303	379,972
Staff costs	2	-194,375	-26,830
Operating profit/loss		-134,072	353,142
Financial income		1,660	0
Financial expenses		-18,399	-389
Profit/loss before tax		-150,811	352,753
Tax on profit/loss for the year	3	0	-77,606
Profit/loss for the year		-150,811	275,147
Proposed profit appropriation/distribution of loss			
Transfer to development projects		1,496,959	330,963
Retained earnings		-1,647,770	-55,816
		-150,811	275,147

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2019</u>	<u>31/12 2018</u>
ASSETS			
Fixed assets			
Intangible assets			
Development projects in progress		<u>2,343,489</u>	<u>424,311</u>
Investments			
Deposits		<u>46,075</u>	<u>0</u>
Total fixed assets		<u>2,389,564</u>	<u>424,311</u>
Current assets			
Receivables			
Other receivables		79,461	18,863
Corporation tax		421,050	15,743
Prepayments		<u>23,497</u>	<u>0</u>
		<u>524,008</u>	<u>34,606</u>
Cash at bank and in hand		<u>2,138,615</u>	<u>71,491</u>
Total current assets		<u>2,662,623</u>	<u>106,097</u>
TOTAL ASSETS		<u>5,052,187</u>	<u>530,408</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2019	31/12 2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital		46,541	1
Share premium		2,000,507	0
Reserve for development costs		1,827,922	330,963
Retained earnings		-1,677,433	-29,662
Total equity		2,197,537	301,302
Provisions			
Provisions for deferred tax		515,567	93,348
Total provisions		515,567	93,348
Liabilities other than provisions			
Non-current liabilities other than provisions			
Convertible and profit-sharing debt instruments		2,047,048	0
Current liabilities other than provisions			
Trade payables		66,942	0
Payables to group entities		13,910	118,680
Other payables		211,183	17,078
		292,035	135,758
Total liabilities other than provisions		2,339,083	135,758
TOTAL EQUITY AND LIABILITIES		5,052,187	530,408

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Share premium</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2019	1	0	330,963	-29,662	301,302
Cash capital increase	46,540	2,000,507	0	0	2,047,047
Transferred over the distribution of loss	<u>0</u>	<u>0</u>	<u>1,496,959</u>	<u>-1,647,771</u>	<u>-150,812</u>
Equity at 31 December 2019	<u><u>46,541</u></u>	<u><u>2,000,507</u></u>	<u><u>1,827,922</u></u>	<u><u>-1,677,433</u></u>	<u><u>2,197,537</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Inniti ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

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.

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.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, 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 income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

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1 Accounting policies (continued)

Tax on profit/loss for the year

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

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.

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities. Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

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1 Accounting policies (continued)

Prepayments and deferred income

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

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

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.

Gross profit

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

2 Staff costs

DKK	2019	2018
Wages and salaries	1,325,346	242,867
Other social security costs	14,578	887
Other staff costs	39,067	4,026
Transferred to development projects	-1,184,616	-220,950
	194,375	26,830
Average number of full-time employees	4	3

3 Tax on profit/loss for the year

DKK	2019	2018
Current tax for the year	422,219	15,743
Deferred tax for the year	-422,219	-93,348
	0	-77,605