

SciEngines ApS

c/o Univate, Njalsgade 76, 2300 København S

Company reg. no. 38 84 86 15

Annual report

2020

The annual report was submitted and approved by the general meeting on the 5 July 2021.

Emma Wrigley

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

Contents

	<u>Page</u>
Reports	
Management's report	1
Auditor's report on compilation of the financial statements	2
Management commentary	
Company information	3
Management commentary	4
Financial statements 1 January - 31 December 2020	
Income statement	5
Statement of financial position	6
Notes	8
Accounting policies	10

Management's report

Today, the managing director has presented the annual report of SciEngines ApS for the financial year 2020.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

The managing director consider the conditions for audit exemption of the 2020 financial statements to be met.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

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

København S, 5 July 2021

Managing Director

Emma Wrigley

Auditor's report on compilation of the financial statements

To the shareholders of SciEngines ApS

We have compiled the financial statements of SciEngines ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the income statement, statement of financial position, notes and accounting policies.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 5 July 2021

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Mark Leerdrup Hansen

State Authorised Public Accountant
mne19802

Company information

The company	SciEngines ApS c/o Univate Njalsgade 76 2300 København S
	Company reg. no. 38 84 86 15 Established: 10 August 2017 Financial year: 1 January - 31 December
Managing Director	Emma Wrigley
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
Bankers	Sydbank
Parent company	SciEngines GmbH

Management commentary

The principal activities of the company

The purpose of the company is distribution of IT software and hardware and other services related hereto.

Development in activities and financial matters

Net loss from ordinary activities after tax totals DKK -361.571 against DKK -1.383.387 last year.

Management considers the net profit or loss for the year unsatisfactory.

Going concern

The financial statements have been prepared under the assumption of continued operation. For further description of assumptions for the assessment of going concern refers to the financial statements note 1.

Events occurring after the end of the financial year

No events have accrued subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	28.303	-455.795
3 Staff costs	-772.199	-899.109
Depreciation and impairment of property, land, and equipment	-12.082	-12.082
Operating profit	-755.978	-1.366.986
Other financial income	5.036	1.401
Other financial costs	-2.083	-17.802
Pre-tax net profit or loss	-753.025	-1.383.387
Tax on ordinary results	0	0
Net profit or loss for the year	-753.025	-1.383.387
Proposed appropriation of net profit:		
Allocated from retained earnings	-753.025	-1.383.387
Total allocations and transfers	-753.025	-1.383.387

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
4	Other fixtures and fittings, tools and equipment	<u>27.334</u>	<u>39.416</u>
	Total property, plant, and equipment	<u>27.334</u>	<u>39.416</u>
5	Deposits	<u>32.782</u>	<u>31.502</u>
	Total investments	<u>32.782</u>	<u>31.502</u>
	Total non-current assets	<u>60.116</u>	<u>70.918</u>
Current assets			
	Trade debtors	383.124	0
	Receivables from group enterprises	26.084	2.240
	Other receivables	<u>100.031</u>	<u>18.151</u>
	Total receivables	<u>509.239</u>	<u>20.391</u>
	Cash on hand and demand deposits	<u>242.453</u>	<u>108.929</u>
	Total current assets	<u>751.692</u>	<u>129.320</u>
	Total assets	<u>811.808</u>	<u>200.238</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Equity			
	Contributed capital	50.000	50.000
	Retained earnings	-3.330.040	-2.577.015
	Total equity	-3.280.040	-2.527.015
Liabilities other than provisions			
	Payables to group enterprises	2.999.892	2.513.901
	Total long term liabilities other than provisions	2.999.892	2.513.901
	Bank loans	15.234	18.972
	Trade payables	911.095	91.500
	Other payables	165.627	102.880
	Total short term liabilities other than provisions	1.091.956	213.352
	Total liabilities other than provisions	4.091.848	2.727.253
	Total equity and liabilities	811.808	200.238

- 1 Uncertainties concerning the enterprise's ability to continue as a going concern
- 2 Special items
- 6 Charges and security
- 7 Contingencies

Notes

All amounts in DKK.

	2020	2019
1. Uncertainties concerning the enterprise's ability to continue as a going concern		
Management has prepared the annual report under the assumption of continued operation. Management believes that there is no significant risk to the company's continued operation. The reason for this assessment is that SciEngines GmbH has issued a letter of support and subordination of loan until 31 December 2021. SciEngines GmbH declares that they will support the company with sufficient liquidity.		
2. Special items		
Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.		
As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.		
Special items for the year are specified below, indicating where they are recognised in the income statement.		
Income:		
Wage compensation due to COVID-19		201.625
		<u>201.625</u>
Special items are recognised in the following items in the financial statements:		
Gross profit		201.625
Profit of special items, net		<u>201.625</u>

Notes

All amounts in DKK.

	2020	2019
3. Staff costs		
Salaries and wages	714.592	802.527
Pension costs	45.954	85.680
Other costs for social security	11.653	10.902
	772.199	899.109
Average number of employees	2	2
4. Other fixtures and fittings, tools and equipment		
Cost 1 January 2020	60.412	60.412
Cost 31 December 2020	60.412	60.412
Amortisation and writedown 1 January 2020	-20.996	-8.914
Depreciation for the year	-12.082	-12.082
Amortisation and writedown 31 December 2020	-33.078	-20.996
Carrying amount, 31 December 2020	27.334	39.416
5. Deposits		
Cost 1 January 2020	31.502	31.502
Additions during the year	1.280	0
Cost 31 December 2020	32.782	31.502
Carrying amount, 31 December 2020	32.782	31.502
6. Charges and security		
The company has no mortgage and securities.		
7. Contingencies		
Contingent liabilities		
There are no contingent liabilities.		

Accounting policies

The annual report for SciEngines 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 last year, and the annual report is presented in DKK.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

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.

Accounting policies

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.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Accounting policies

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

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.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Accounting policies

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

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.