

SciEngines ApS

c/o Univate, Njalsgade 76, 2300 København S

Company reg. no. 38 84 86 15

Annual report

2019

The annual report was submitted and approved by the general meeting on the 8 April 2020.

Emma Wrigley
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British 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 %.

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Management's report

The managing director has today presented the annual report of SciEngines ApS for the financial year 1 January to 31 December 2019.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

The managing director considers the requirements of omission of audit of the annual accounts for 2019 as met.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen K, 2 April 2020

Managing Director

Emma Wrigley

Auditor's report on compilation of the annual accounts

To the shareholders of SciEngines ApS

We have compiled the annual accounts of SciEngines ApS for the period 1 January to 31 December 2019 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts 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 annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since 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 to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 2 April 2020

Redmark

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

Mark Leerdrup Hansen

State Authorised Public Accountant
mne19802

Company data

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's review

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

The gross loss for the year is DKK -1.383.387 against DKK -1.003.267 last year.

The management consider the results 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 subsequent to the financial year

Subsequent to year end, there has been an outbreak of COVID19 as a result of the spread of coronavirus. It is assessed that all the company's markets can be affected of the outbreak. Although it is early to assess the effevts of this, it is management's opinion, that the outbreak may have significant economic consequences for the current accounting year.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross loss	-455.797	-193.999
2 Staff costs	-899.109	-790.021
Depreciation and writedown relating to tangible fixed assets	-12.082	-8.914
Operating profit	-1.366.988	-992.934
Other financial income	1.401	23.047
Other financial costs	-17.800	-33.380
Results before tax	-1.383.387	-1.003.267
Tax on ordinary results	0	0
Results for the year	-1.383.387	-1.003.267
Proposed distribution of the results:		
Allocated from results brought forward	-1.383.387	-1.003.267
Distribution in total	-1.383.387	-1.003.267

Balance sheet 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Fixed assets			
3	Other plants, operating assets, and fixtures and furniture	<u>39.416</u>	<u>51.498</u>
	Tangible fixed assets in total	<u>39.416</u>	<u>51.498</u>
	Deposits	<u>31.502</u>	<u>30.346</u>
	Financial fixed assets in total	<u>31.502</u>	<u>30.346</u>
	Fixed assets in total	<u>70.918</u>	<u>81.844</u>
Current assets			
	Amounts owed by group enterprises	2.240	37.963
	Other debtors	<u>18.151</u>	<u>54.364</u>
	Debtors in total	<u>20.391</u>	<u>92.327</u>
	Available funds	<u>108.929</u>	<u>0</u>
	Current assets in total	<u>129.320</u>	<u>92.327</u>
	Assets in total	<u>200.238</u>	<u>174.171</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
4	Contributed capital	50.000	50.000
5	Results brought forward	-2.577.015	-1.193.628
	Equity in total	-2.527.015	-1.143.628
Liabilities			
	Debt to group enterprises	2.513.901	1.133.604
	Other payables	26.801	0
	Long-term liabilities in total	2.540.702	1.133.604
	Bank debts	18.972	0
	Trade creditors	91.500	66.091
	Other debts	76.079	118.104
	Short-term liabilities in total	186.551	184.195
	Liabilities in total	2.727.253	1.317.799
	Equity and liabilities in total	200.238	174.171

- 1 Uncertainties concerning the enterprise's ability to continue as a going concern
- 6 Mortgage and securities
- 7 Contingencies

Notes

All amounts in DKK.

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 2020. SciEngines GmbH declares that they will support the company with sufficient liquidity.

	2019	2018
2. Staff costs		
Salaries and wages	802.527	697.774
Pension costs	85.680	81.045
Other costs for social security	10.902	11.202
	899.109	790.021
Average number of employees	2	2
	31/12 2019	31/12 2018
3. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2019	60.412	0
Additions during the year	0	60.412
Cost 31 December 2019	60.412	60.412
Amortisation and writedown 1 January 2019	-8.914	0
Depreciation for the year	-12.082	-8.914
Amortisation and writedown 31 December 2019	-20.996	-8.914
Book value 31 December 2019	39.416	51.498
4. Contributed capital		
Contributed capital 1 January 2019	50.000	50.000
	50.000	50.000

Notes

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
5. Results brought forward		
Results brought forward 1 January 2019	-1.193.628	-190.361
Profit or loss for the year brought forward	<u>-1.383.387</u>	<u>-1.003.267</u>
	<u>-2.577.015</u>	<u>-1.193.628</u>

6. Mortgage and securities

The company has no mortgage and securities.

7. Contingencies

Contingent liabilities

There are no contingent liabilities.

Accounting policies used

The annual report for SciEngines ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Income statement

Gross loss

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for sales, advertisement, administration and premises costs.

Staff costs

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

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The balance sheet

Tangible fixed assets

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

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

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

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>5 years</i>

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Leases

At the first recognition in the balance sheet, leases concerning tangible fixed assets by which the company holds all essential risks and advantages attached to 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 internal interest rate of the lease or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, assets held under a finance lease are treated in the same way as other similar tangible assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest part of the lease is recognised in the profit and loss account over the term of the contract.

Accounting policies used

Leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Deposits

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

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Liabilities

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