CLINIGMA ApS

Frederiksborggade, 15,2, DK-1360 København K

Annual Report for 2021

CVR No. 39 35 05 80

The Annual Report was presented and adopted at the Annual General Meeting of the company on 7/7 2022

Jens Harald Kongsø
Chairman of the general meeting

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Contents

Management's statement

The Executive Board has today considered and adopted the Financial Statements of CLINIGMA ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 7 July 2022

Executive Board

Jens Harald Kongsø
CEO

Independent Auditor's report

To the shareholder of CLINIGMA ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company´s operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CLINIGMA ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 Management's Review.

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.

Independent Auditor's report

Auditor’s responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can 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 taken 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 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.

Hellerup, 7 July 2022

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Company information

The Company	CLINIGMA ApS Frederiksborggade, 15,2 DK-1360 København K CVR No: 39 35 05 80 Financial period: 1 January - 31 December Incorporated: 15 February 2018 Financial year: 4th financial year Municipality of reg. office: Copenhagen
Executive board	Jens Harald Kongsø
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

The Company's most important activities consist of conducting interviews and questionnaire surveys among users of medicine and medical equipment in connection with clinical studies and/or in everyday life and related business.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 9,651,052, and at 31 December 2021 the balance sheet of the Company shows negative equity of DKK 6,713,934.

Capital resources

Clinigma ApS' net loss for the year amounted to DKK 9,651k. As of 31 December 2021, Clinigma ApS' equity amounted to negative DKK 6,714k and short-term debt exceeded current assets by DKK 4.7 million.

The net loss for the year is mainly related to costs associated with development activities relating to Clinigma' portal, which was ready for use in 2021, but has been further developed throughout the year. The increase in costs is also associated with Clinigma' expansion of the organisation to enable the increased activity in both development and commercial activities.

During 2022, Clinigma has had a positive dialogue with several potential new customers with whom sale agreements are expected to be entered, however the timeframe for this is subject to a degree of uncertainty. As a result of the missing sales agreements, the Company needed to strengthen the liquidity.

In July 2022, Clinigma entered into a loan agreement with Ankjaergaard Holding ApS. Ankjaergaard Holding ApS has provided Clinigma ApS with a facility of DKK 3 million, which can be withdrawn by Clinigma ApS in the period 1 July to 31 December 2022. The loan is conditional on Jens Harald Kongsø being the registered CEO of Clinigma ApS. The loan matures on 31 December 2023, however with a possibility to voluntarily repay the loan prior to the mature date.

Management expects that the loan agreement facility finances Clinigma ApS' operating activities and ensures that Clinigma ApS can settle its obligations as they fall due until 31 December 2022.

Based on this, the Annual Report of Clinigma ApS is based on the assumption of going concern.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021	2020
		DKK	DKK
Gross profit/loss		**-60,339**	**5,329,824**
Staff expenses	2	-2,560,719	-1,730,372
Amortisation and impairment losses of intangible assets		-6,918,529	0
Profit/loss before financial income and expenses		**-9,539,587**	**3,599,452**
Financial income		5,270	0
Financial expenses		-126,520	-13,722
Profit/loss before tax		**-9,660,837**	**3,585,730**
Tax on profit/loss for the year	3	9,785	-815,612
Net profit/loss for the year		**-9,651,052**	**2,770,118**

Distribution of profit

	2021	2020
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-9,651,052	2,770,118
	-9,651,052	**2,770,118**

Balance sheet 31 December

Assets

	Note	2021	2020
		DKK	DKK
Development projects in progress		0	3,054,324
Intangible assets	4	**0**	**3,054,324**
Deposits		40,800	40,800
Fixed asset investments		**40,800**	**40,800**
Fixed assets		**40,800**	**3,095,124**
Trade receivables		28,125	3,190,542
Contract work in progress		120,500	0
Receivables from group enterprises		5,536	5,536
Other receivables		249,657	19,379
Receivables		**403,818**	**3,215,457**
Cash at bank and in hand		**67,369**	**973,821**
Current assets		**471,187**	**4,189,278**
Assets		**511,987**	**7,284,402**

Balance sheet 31 December

Liabilities and equity

	Note	2021	2020
		DKK	DKK
Share capital		55,556	55,556
Retained earnings		-6,769,490	2,881,562
Equity		**-6,713,934**	**2,937,118**
Provision for deferred tax		671,951	671,951
Provisions		**671,951**	**671,951**
Prepayments received from customers		452,906	452,906
Other payables		954,472	0
Long-term debt	5	**1,407,378**	**452,906**
Credit institutions		2,904,192	0
Prepayments received from customers		202,500	591,000
Trade payables		64,215	657,330
Payables to owners and Management		520,319	13,947
Corporation tax		0	15,466
Other payables	5	1,455,366	1,944,684
Short-term debt		**5,146,592**	**3,222,427**
Debt		**6,553,970**	**3,675,333**
Liabilities and equity		**511,987**	**7,284,402**

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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	55,556	2,881,562	2,937,118
Net profit/loss for the year	0	-9,651,052	-9,651,052
Equity at 31 December	**55,556**	**-6,769,490**	**-6,713,934**

Notes to the Financial Statements

1. Going concern

Clinigma ApS' net loss for the year amounted to DKK 9,651k. As of 31 December 2021, Clinigma ApS' equity amounted to negative DKK 6,714k and short-term debt exceeded current assets by DKK 4.7 million.

The net loss for the year is mainly related to costs associated with development activities relating to Clinigma' portal, which was ready for use in 2021, but has been further developed throughout the year. The increase in costs is also associated with Clinigma' expansion of the organisation to enable the increased activity in both development and commercial activities.

During 2022, Clinigma has had a positive dialogue with several potential new customers with whom sale agreements are expected to be entered, however the timeframe for this is subject to a degree of uncertainty. As a result of the missing sales agreements, the Company needed to strengthen the liquidity.

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Management expects that the loan agreement facility finances Clinigma ApS' operating activities and ensures that Clinigma ApS can settle its obligations as they fall due until 31 December 2022.

Based on this, the Annual Report of Clinigma ApS is based on the assumption of going concern.

	2021	2020
	DKK	DKK

2. Staff Expenses

Wages and salaries	2,128,393	1,620,398
Pensions	318,672	86,500
Other social security expenses	67,314	23,474
Other staff expenses	46,340	0
	2,560,719	**1,730,372**
Average number of employees	**8**	**4**

	2021	2020
	DKK	DKK

3. Income tax expense

Current tax for the year	0	15,466
Deferred tax for the year	0	783,207
Adjustment of tax concerning previous years	-9,785	16,939
	-9,785	**815,612**

Notes to the Financial Statements

4. Intangible fixed assets

	Develop-ment projects in progress
	DKK
Cost at 1 January	3,054,324
Additions for the year	3,864,205
Cost at 31 December	6,918,529
Impairment losses and amortisation at 1 January	0
Impairment losses for the year	5,826,217
Amortisation for the year	1,092,312
Impairment losses and amortisation at 31 December	6,918,529
Carrying amount at 31 December	**0**
Amortised over	5 years

5. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021	2020
	DKK	DKK
Prepayments received from customers		
After 5 years	0	0
Between 1 and 5 years	452,906	452,906
Long-term part	452,906	452,906
Within 1 year	0	0
Other prepayments from customers	202,500	591,000
Short-term part	202,500	591,000
	655,406	**1,043,906**
Other payables		
After 5 years	0	0
Between 1 and 5 years	954,472	0
Long-term part	954,472	0
Within 1 year	574,240	0
Other short-term payables	881,126	1,944,684
	2,409,838	**1,944,684**

Prepayments received from customers relates to invoices to which the underlying service is not yet satisfied.

6. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Kongsø Gruppen ApS is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

7. Accounting policies

The Annual Report of CLINIGMA ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, direct expenses and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of intangible assets.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets.

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the Parent Company. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries and other expenses directly or indirectly attributable to the Company’s development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.