



Adent ApS

Knabrostræde 20, 3., 1210 København K

CVR no. 40 51 29 77

**Annual report for the period
1 October 2022 to 30 September 2023**

Adopted at the annual general meeting on 6 December 2023

Richard Bundsgaard
Chairman


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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Adent ApS for the financial year 1 October 2022 - 30 September 2023.

The annual report is 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 financial position at 30 September 2023 and of the results of the company's operations for the financial year 1 October 2022 - 30 September 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 29 November 2023

Executive board

Richard Bundsgaard
director

Thøger Bundsgaard
director

Supervisory board

Henrik Skak Bender
chairman

Christel Arpalice Piron

Richard Bundsgaard

Mikkel Marius Winther-Lange

Lucanus Polagnoli

Independent auditor's report

To the shareholders of Adent ApS

Opinion

We have audited the financial statements of Adent ApS for the financial year 1 October 2022 - 30 September 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 September 2023 and of the results of the company's operations for the financial year 1 October 2022 - 30 September 2023 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 requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the 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 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.

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 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.

Independent auditor's report

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, we conclude that 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 management's review.

Copenhagen, 29 November 2023

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
statsautoriseret revisor
MNE no. mne41287

Company details

The company	Adent ApS Knabrostræde 20, 3. 1210 København K CVR no.: 40 51 29 77 Reporting period: 1 October 2022 - 30 September 2023 Incorporated: 12 May 2019 Domicile: Copenhagen
Supervisory board	Henrik Skak Bender, chairman Christel Arpalice Piron Richard Bundsgaard Mikkel Marius Winther-Lange Lucanus Polagnoli
Executive board	Richard Bundsgaard, director Thøger Bundsgaard, director
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's main activity involves producing and operating IT and IT-related products.

Financial review

The company's income statement for the year ended 30 September 2023 shows a loss of DKK 2.979.519, and the balance sheet at 30 September 2023 shows equity of DKK 7.816.084.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 October - 30 September

	Note	2022/23	2021/22
		kr.	kr.
Gross profit		374.263	1.476.403
Staff costs	1	-2.577.713	-3.693.899
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1.370.739	-953.955
Profit/loss before net financials		-3.574.189	-3.171.451
Financial income		984	0
Financial costs		-264.344	-142.333
Profit/loss before tax		-3.837.549	-3.313.784
Tax on profit/loss for the year	2	858.030	830.109
Profit/loss for the year		-2.979.519	-2.483.675
Recommended appropriation of profit/loss			
Reserve for development expenditure		1.601.635	2.559.562
Retained earnings		-4.581.154	-5.043.237
		-2.979.519	-2.483.675

Balance sheet 30 September

	Note	2023	2022
		kr.	kr.
Assets			
Completed development projects		13.749.638	11.696.260
Intangible assets	3	13.749.638	11.696.260
Deposits		93.753	83.753
Fixed asset investments		93.753	83.753
Total non-current assets		13.843.391	11.780.013
Trade receivables		0	42.078
Other receivables		72.763	461.772
Corporation tax		1.131.482	1.619.988
Receivables		1.204.245	2.123.838
Cash at bank and in hand		970.345	1.869.028
Total current assets		2.174.590	3.992.866
Total assets		16.017.981	15.772.879

Balance sheet 30 September

Note	2023	2022
	kr.	kr.
Equity and liabilities		
Share capital	72.618	72.618
Reserve for development expenditure	10.724.718	9.123.083
Retained earnings	-2.981.252	1.599.902
Equity	7.816.084	10.795.603
Provision for deferred tax	586.118	690.842
Total provisions	586.118	690.842
Convertible and profit-yielding instruments of debt	3.913.904	0
Total non-current liabilities	3.913.904	0
Banks	20.369	117.507
Other credit institutions	2.325.826	2.175.140
Trade payables	123.185	281.962
Payables to shareholders and management	39.267	39.030
Other payables	1.193.228	1.672.795
Total current liabilities	3.701.875	4.286.434
Total liabilities	7.615.779	4.286.434
Total equity and liabilities	16.017.981	15.772.879

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
	kr.	kr.	kr.	kr.
Equity at 1 October	72.618	9.123.083	1.599.902	10.795.603
Net profit/loss for the year	0	1.601.635	-4.581.154	-2.979.519
Equity at 30 September	72.618	10.724.718	-2.981.252	7.816.084

Notes

	<u>2022/23</u>	<u>2021/22</u>
	kr.	kr.
1 Staff costs		
Wages and salaries	2.485.222	3.491.078
Pensions	37.876	145.411
Other social security costs	54.615	57.410
	<u>2.577.713</u>	<u>3.693.899</u>
Number of fulltime employees on average	<u>6</u>	<u>8</u>
2 Tax on profit/loss for the year		
Current tax for the year	-753.306	-931.798
Deferred tax for the year	-104.724	-60.042
Adjustment of tax concerning previous years	0	161.731
	<u>-858.030</u>	<u>-830.109</u>

Notes

3 Intangible assets

	Completed development projects <u>kr.</u>
Cost at 1 October	13.422.046
Additions for the year	<u>3.424.117</u>
Cost at 30 September	<u>16.846.163</u>
Impairment losses and amortisation at 1 October	1.725.786
Amortisation for the year	<u>1.370.739</u>
Impairment losses and amortisation at 30 September	<u>3.096.525</u>
Carrying amount at 30 September	<u><u>13.749.638</u></u>

Special assumptions regarding development projects and tax assets

The development project costs pertain to expenses incurred during the development of Adents' artificial intelligence and software platform for dental health. Adents' platform is a CE-marked medical device based on patented technology. The platform supports patients' ability to access personalized information about their dental health through artificial intelligence, personalized dental care monitoring, and virtual interactions between dental experts and patients. The purpose of this technology is to improve dental health in the population.

4 Rent liabilities

The company has entered into rent obligations, where the total obligation in the non-cancellable period is DKK 131k.

Accounting policies

The annual report of Adent ApS for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Other operating income

Other operating income comprises accounting items of secondary importance in relation to the company's activities.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognized in the income statement for the amounts related to the financial year. Financial items include interest income and expenses, financial expenses related to financial leasing, realized and unrealized gains and losses on securities, debt, and foreign currency transactions, amortization of financial assets and liabilities, as well as supplements and refunds under the advance tax scheme, and so on.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Accounting policies

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

After the completion of the development work, development costs are linearly depreciated over the estimated economic useful life. The depreciation period typically amounts to 10 years.

Fixed asset investments

Other investments

Other financial fixed assets, such as rental deposits, are measured at fair value on the balance sheet date.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.