



Annual Report 2022

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Our business

Founding story

Dianox was founded in 2019 by an entrepreneur and a dedicated scientist who saw the potential for using biotechnology to revolutionize the field of diagnostics. We started out by developing a range of new diagnostic tests for various diseases and conditions.

As our company grew, we began to see the potential for using artificial intelligence (AI) to drive the development of even more advanced health products. We saw the opportunity to leverage the power of machine learning to build more targeted and effective therapeutics for a range of diseases.

Headquartered in Denmark, one of the leading biotechnology hubs in the world, we invested heavily in R&D, partnering with leading AI experts and biotechnology researchers.

Through our efforts, we were able to develop a world-class computational nucleic acid discovery platform for designing novel therapeutics and diagnostics.

Our purpose is to develop groundbreaking products to help people lead healthier lives.



Letter from the CEO

Dear shareholders

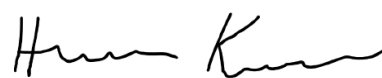
I am pleased to present the annual report for 2022. It has been a transformative year for our company, and we have made significant progress with our technology.

We have built a computational discovery platform on the foundation of nucleic acids and deep learning techniques. We have successfully tested a generative model and are on track to advance our development candidates in the upcoming year.

Additionally, we have expanded our leadership team. We have brought on multiple new executives with extensive knowledge in the biotechnology industry and are actively seeking strategic partnerships to aid in the launch of our product.

Looking ahead, we are excited about the prospects that lie ahead for our company. We are confident in the potential of our platform to make a significant impact on the lives of patients, and we are dedicated to introducing innovative health products to the market.

I am eager to continue our journey. Thank you for your continued support.



Hiram Konjen
Chief Executive Officer



Financial statements 2022

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

22 June 2023



Chairperson

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Dianox ApS for the financial year 1 January – 31 December 2022.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the annual report be approved at the annual general meeting.

Copenhagen, 22 June 2023

Executive Board:



Hiram Konjen

Management confirms that the Company fulfills the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of Dianox ApS

We have compiled the financial statements of Dianox ApS for the financial year 1 January – 31 December 2022 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 Compilation Engagements.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Auditor Act, including the requirements for independence, and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements 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 these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 22 June 2023

KPMG P/S

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in blue ink, appearing to read 'Morten Høgh-Petersen'.

Morten Høgh-Petersen

State Authorised

Public Accountant

mne34283

Management's review

Company details

Dianox ApS
c/o Symbion
Fruebjergvej 3
2100 Copenhagen
Denmark

VAT no.: DK 40 55 97 01
Established: 3 June 2019
Registered office: Copenhagen
Financial year: 1 January – 31 December



Executive Board

Huram Konjen
CEO

Operating review

Principal activities

The Company's main activities are research, development and production of medicinal equipment and biotechnology used for diagnostics.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 76,064 as against DKK 596,433 for 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 1,515,399 as against DKK 1,439,335 at 31 December 2021.

Events after the balance sheet date

No events have occurred after the balance sheet date that materially affect the Company's financial position.

Income statement

DKK	Note	2022	2021
Gross profit		245,172	932,958
Staff costs	2	-161,687	-205,988
Profit before financial income and expenses		83,485	726,970
Other financial expenses		-1,610	-1,762
Profit before tax		81,875	725,208
Tax on profit for the year	3	-5,811	-128,775
Profit for the year		76,064	596,433
Proposed profit appropriation/distribution of loss			
Reserve for development costs		681,341	386,992
Retained earnings		-605,277	209,441
		76,064	596,433

Balance sheet

DKK	2022	2021
ASSETS		
Fixed assets		
Intangible assets		
Licenses and trademarks	118,097	76,326
Development projects in progress	1,470,253	830,683
Total fixed assets	1,588,350	907,009
Current assets		
Receivables		
Other receivables	146,098	630,206
Corporation tax	149,907	42,282
Cash at bank and in hand	135,827	76,443
Total current assets	431,832	748,931
Total assets	2,020,182	1,655,940

Balance sheet

DKK	Note	2022	2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		296,618	296,618
Share premium		353,382	353,382
Reserve for development costs		1,329,274	647,933
Retained earnings		-463,875	141,402
Total equity		1,515,399	1,439,335
Provisions for deferred tax		300,169	182,750
Provisions		300,169	182,750
Liabilities			
Current liabilities			
Trade payables		170,838	2,567
Corporate tax		0	19,624
Other payables		33,776	11,663
Total liabilities		204,614	33,855
Total equity and liabilities		2,020,182	1,655,940
Contractual obligations, contingencies, etc.	4		

Statement of changes in equity

DKK	Contributed capital	Share premium	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2022	296,618	353,382	647,993	141,402	1,439,335
Transfers, reserves	0	0	681,341	0	681,341
Transferred over the distribution	0	0	0	-605,277	-605,277
Equity at 31 December 2022	296,618	353,382	1,329,274	-463,875	1,515,399

Notes

1 Accounting policies

The annual report of Dianox ApS for 2022 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.

Gross profit

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

Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2020.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

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

Financial expenses comprise interest expense.

Tax on profit 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.

Notes

1 Accounting policies (continued)

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

Licences and trademarks

Licences and trademarks are measured at cost price and depreciated over expected useful life.

Development projects

Development costs are recognised in the income statement in the acquisition year.

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 as development costs. Other development costs are recognised in the income statement as incurred.

Impairment of fixed assets

The carrying amount of intangible assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Notes

1 Accounting policies (continued)

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Cash at bank and in hand

Cash at bank and in hand comprise cash.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

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.

Notes

1 Accounting policies (continued)

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.

Liabilities

Other liabilities are measured at net realisable value.

DKK	2022	2021
2 Staff costs		
Staff costs are recognised in the financial statements as follows:		
Staff costs	161,687	205,988
Total	161,687	205,988
Average number of full-time employees	1	1

3 Tax on the profit/loss for the year

Current tax for the year	-149,907	19,624
Deferred tax for the year	117,419	109,151
Adjustment of tax concerning previous years	38,299	0
Total	5,811	128,775

4 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax.

